

COUNCIL MEETING

DECEMBER 16, 2015

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Mel Rapozo at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, December 16, 2015 at 8:31 a.m., after which the following Members answered the call of the roll:

Honorable Mason K. Chock
Honorable Gary L. Hooser
Honorable Ross Kagawa (*excused at 5:55 p.m.*)
Honorable Arryl Kaneshiro
Honorable KipuKai Kuali'i
Honorable JoAnn A. Yukimura
Honorable Mel Rapozo

APPROVAL OF AGENDA.

Councilmember Chock moved for approval of the agenda as circulated, seconded by Councilmember Kuali'i, and unanimously carried.

MINUTES of the following meetings of the Council:

November 18, 2015 Council Meeting
December 2, 2015 Public Hearing re: Bill No. 2602, Bill No. 2603, and Bill No. 2605

Councilmember Chock moved to approve the Minutes as circulated, seconded by Councilmember Kuali'i, and unanimously carried.

INTERVIEW:

POLICE COMMISSION:

- Kevin T. Mince – Term ending 12/31/2018

Council Chair Rapozo: Mr. Mince, can you come up to the seat? This is a nomination to the Police Commission. Can you start by stating your name for our captioner, who is somewhere far, far away?

KEVIN T. MINCE: Kevin Mince. Good morning, Chair.

Council Chair Rapozo: Can you give us a brief overview of yourself, then we will open it up for questions from the Council?

Mr. Mince: Thank you. I have been a resident of Kaua'i for fourteen (14) years. I came here after retiring from the California Highway Patrol after a thirty-one (31) year career. I have worked in the private industry here for the last ten (10) years at Kaua'i Community College (KCC). I have been involved peripherally with the Kaua'i Police Department (KPD) through grants that I ran at the college. We established the KPD Explorer Program. I have done training for the Kaua'i Police Department in leadership and management, specifically in "Covey's 7 Habits." I have done leadership training and supervision training for County employees through the college. I have some expertise in police management, having spent thirty-one (31) years on the job, and if there were things that I could bring to the County to help the Kaua'i Police Department—I know that budgeting is a big thing as twenty-five percent (25%) of the County's budget goes to the Kaua'i Police Department. Things that I might be able to share with the current Chief, future chief, or anything like that, I would be glad to lend my expertise with the little bit that I have.

Council Chair Rapozo: Thank you very much. Questions?
Councilmember Hooser.

Councilmember Hooser: Good morning.

Mr. Mince: Good morning, Councilmember Hooser.

Councilmember Hooser: Thank you for being willing to serve. It certainly sounds like you have experience and credentials to fill the spot. I just have a couple of questions. Right now, one of the issues on the front burner here locally is the implementation of body cameras on police and there is some discussion right now between the police union and the police department administration as to whether or not it is a good idea to do under the conditions that are being proposed, I guess, is the diplomatic way to say it. Do you have any thoughts on body camera? Do you support them? Do you have experience with them? You were in the Highway Patrol, right? This sounds like it was before body cameras were actively in place.

Mr. Mince: Correct, it was. My experience with cameras was limited at that time until we had in-vehicle cameras, but not body cameras. Body cameras have pros and cons. Obviously for officers' safety, liability purposes, and determining what happens in specific incidents, they are great things. They have their own built-in downside because you are going to have to establish some type of a system to monitor, control, record, or redact body camera things when people start asking for videos, but those are all issues that can be handled. I know that there may be something going on between the police union and KPD as to the exact wording of the policy of when the camera can be turned on and off. The bottom line though is that I am a supporter of cameras. I think that in the end they will show that officers generally do everything right and it protects them in that respect.

Councilmember Hooser: Thank you. I have another question.

Council Chair Rapozo: Go ahead.

Councilmember Hooser: The Police Commission is seen by the...I was going to look in the Charter to see what it says, but seen as an interface, as a filter, or as a facilitator between the public and the police department. I was wondering if you have any experience with that. In the news today, it is no secret that there are lots of issues across the nation with allegations, both proven and unproven about police misconduct. So the public may very well be coming to you with these allegations and they may or may not be true. Do you have any experience in that? What are your thoughts on that?

Mr. Mince: Well, experience wise as a police manager, I constantly reviewed and handled citizen complaints for police, everything from "I received a ticket and I was not speeding" to "the officer beat me up," from a person who felt that they got a citation erroneously to where an officer misconduct up to and including a physical misconduct. My personal way of handling that is, "Let us not jump to any kind of conclusion. Let us get all of the facts and let us hear your side of the story and let us hear the other side. Then we can evaluate everything and make a reasoned decision from there as to specifically what happened." That of course dovetails on your question with cameras, because cameras are going to show, "Did the officer say this? Did the officer say that? Did the officer do this? Did the officer do that?" Cameras would be a great help in those kinds of situations.

Councilmember Hooser: Okay. Thank you very much.

Council Chair Rapozo: Anyone else? Councilmember Chock.

Councilmember Chock: Mr. Mince, thank you for being here. I appreciate your willingness to serve and you are "a man after my own heart" with some of the work that you already do in the community in leadership development. I was wondering if you might be able to share what your thoughts are on both the Police Commission's and the Kaua'i Police Department's needs and what you can contribute to it from that perspective of development.

Mr. Mince: I previously had some involvement with the Kaua'i Police Department, as I explained, through training of police management and police supervisors and through the Explorer Program, and I will tell you that for the last three (3) years, my grant that ran that has been expired. So my knowledge of the Kaua'i Police Department and involvement with them for the last three (3) years has been very slim. But through meetings like this, through the newspaper, and when the Police Commission's meetings were televised, there are continuing issues that every police manager, and not just on Kaua'i, but nationwide faces. Obviously, we have already touched on budget; that is number one. Number two is recruiting. It is hard to find qualified people who want to be police officers. It is harder still to get them through the testing process and through the background process so that they can become officers. Those are two (2) of the issues. One of the things that I think I can bring as expertise to the Police Commission or be of assistance to the Kaua'i Police Department is in the area of civil liability, which is an extremely big thing where the money that governments

have to pay out because of judgments against them really impacts their budgets adversely. I believe Kaua'i is self-insured and that money that we pay out on lawsuits is money that comes out of the public coffers and we should not have to do that kind of stuff. As far as the Police Commission, I think they form a sounding board for the Chief. Being a Chief is a lonely business; I have been there and done that and the idea that you have somebody to bounce ideas off of or to explain what you want to do and have somebody with another perspective look at that and say if that is a good idea or a bad idea.

Councilmember Chock: Thank you. That was a great answer.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Thank you so much for being here and for your willingness to step up to the plate and help us in the area of policing. Actually, Councilmember Hooser asked one of the questions about the oversight function of the Police Commission between a paramilitary organization and civilians in the community, so I was impressed by your answer. My other question is you said that you taught "The 7 Habits" as part of police training. Was that recently?

Mr. Mince: That was about four (4) or five (5) years ago. Through a grant that we worked at the college, a bunch of us were certified as "Covey trainers," so I taught "The 7 Habits" to police management at KPD, probably right after Chief Perry became the chief.

Councilmember Yukimura: I am interested because several of the county councils in the past did get training in the "Seven Habits" and it is an excellent leadership training tool, so I was not aware that we actually had facilitators on-island.

Mr. Mince: Yes, Ma'am, we do, through the college.

Councilmember Yukimura: More than just yourself?

Mr. Mince: Yes, Ma'am.

Councilmember Yukimura: Is there training that is going on at the college as a class or is it on a case-by-case basis?

Mr. Mince: Through the Office of Continuing Education at Kaua'i Community College, "The 7 Habits" is one of their standing classes. When they have enough people who register for the class, there is a trainer besides myself who is capable of training that at the college, but it is when there is enough people to sign up for it.

Councilmember Yukimura: There was a group in around 1995 that were trying to train a critical mass of citizens on the island in that rubric of leadership that wanted to develop a principle-centered community. That was one of

Dr. Covey's extrapolations of the work, which I was involved in that. Thank you very much.

Mr. Mince: Any other questions? Councilmember Hooser.

Councilmember Hooser: Just real briefly, did you seek out the position or did someone from the Administration, Police Commission, or Kaua'i Police Department approach you to do this?

Mr. Mince: Actually, I met through a mutual friend, Reverend Moki Okami, who is on the Police Commission. Through his work in security at the Grand Hyatt Kaua'i hotel, he became familiar with my background. He then approached the Mayor and said, "This might be a good candidate for the Police Commission when there is a vacancy." So that is how I came to be here today.

Councilmember Hooser: Thank you. I have one more question and it may be considered out of left field, but I was just reading the Charter that talks about the Police Commission and the responsibilities of the Police Commission, and one of the responsibilities...let me see if I can find it here without taking up too much time...is "to develop rules and adopt such rules to regulate political activities of the members of the police department." So the responsibility of the Commission is to adopt rules to regulate political activities of the members of the police department. It is my understanding that there are no rules addressing this issue today. Do you have any experience with that aspect with serving in law enforcement in the past? I am assuming that since it is one of your responsibilities, you would be willing to work with your Commission to fulfill this obligation of the Commission.

Mr. Mince: The answer to your question is yes. In my former agency in California, there was a strict "no involvement in political activities" when you connected your political activities to your position as a police officer. So you could have a political opinion and you could express that and you could express that as a private citizen, but you could not, for instance, write a letter to the editor and say, "This is my opinion. I am a chief of 'such and such.'" There was a strict separation there between your ability to do political things and connect them to your work. The answer about being willing to help develop regulations is yes, certainly.

Councilmember Hooser: Thank you.

Council Chair Rapozo: Thank you. Councilmember Kagawa.

Councilmember Kagawa: Kevin, thank you for offering yourself to serve. When you left the highway patrol in 2001, the California government was pretty solid. The recession had not hit yet, correct?

Mr. Mince: Correct.

Councilmember Kagawa: For the County of Kaua'i right now, we are basically broke. We have an expectation of the Kaua'i Police Department's budget to basically remain status quo, yet they have anticipated pay raises in the amount of six million dollars (\$6,000,000) to seven million dollars (\$7,000,000) next year. Basically, if your budget stays at status quo, you are operating at seven million dollars (\$7,000,000) less than the prior year. Do you have any thoughts on how you can add to the Police Commission? What I would like to see are some options. If we stay at status quo, this is what the public is going to see in reduction; however, if you give us this much more, we can remain to have the services that we have now. Are you willing to work on those kinds of things?

Mr. Mince: Absolutely. To address your question, in any organization, especially public organizations, eighty percent (80%) of your budget is personnel. Most of that is going to be fixed. A lot of it is dictated by collective bargaining agreements. There is not anything that once the agreement is in place that you can address. However, there are things that as a police manager you can do to impact your budget. Every police manager knows that there are five (5) things that you can do to try to control your budget. Number one is officer safety. When an officer is injured and an officer is not on the beat, somebody else has to replace them and that means overtime. Second of all would be overtime control. Overtime comes out of the same pot, but there are five (5) or six (6) different types of overtime that police agencies encumber, so by doing an analysis of your overtime, you might be able to impact that. The third is in the area of, and I have already addressed this, civil liability. When an officer or the police department does something that incurs the legal system to get involved, that drains on your budget and your personnel. The next area is in property control. Police departments have millions of dollars of real property, making sure that we are taking care of that real property. The last one is in your fleet. A patrol car probably costs thirty thousand dollars (\$30,000) and another ten thousand dollars (\$10,000) to equip it with police equipment. We want to make sure that we get the most usage out of that, that the officers are safe in their vehicles and that we are taking care of it. Those are simple things—I take that back; they are not simple things. They are things that as a police manager you can address and in the Police Commission you can have oversight over the police department to make sure that those things are being implemented.

Councilmember Kagawa: I just wanted to bring that up to you. I can see that you probably have no problem of getting support, but I just wanted to give you my thoughts that these are critical times and the Kaua'i Police Department, along with the Kaua'i Fire Department, are the biggest financial burdens of this County and being that you are going to be on this board, overseeing the Kaua'i Police Department, I hope that you can spend a lot of time and effort in trying to get the Kaua'i Police Department to get a budget that gives the public the "biggest bang for their buck."

Mr. Mince: Correct.

Councilmember Kagawa: Thank you.

Council Chair Rapozo: Any other questions? Councilmember Yukimura.

Councilmember Yukimura: When was the second factor that you mentioned? Safety and what?

Mr. Mince: Overtime control.

Councilmember Yukimura: Of course. I just did not hear it. Thank you.

Council Chair Rapozo: Any other questions? If not, thank you very much, Mr. Mince. I appreciate you being here this morning.

Mr. Mince: Thank you.

Council Chair Rapozo: We will be voting on the Resolution at the next Council Meeting and you will be contacted by our office. Thank you. With that, can we have the next item, please?

JADE K. FOUNTAIN-TANIGAWA, County Clerk: The next item is on the Consent Calendar, C 2015-306.

Council Chair Rapozo: Real quick, there has been a request to take C 2015-307 out of the Consent Calendar, so can I have that motion first?

Councilmember Kagawa moved to take C 2015-307 off of the Consent Calendar, seconded by Councilmember Kualii, and unanimously carried.

CONSENT CALENDAR:

C 2015-306 Communication (11/09/2015) from the County Engineer, transmitting for Council consideration, a Resolution Establishing Crosswalks And Bicycle Lanes On Puhi Road, County Of Kaua'i: Councilmember Chock moved to receive C 2015-306 for the record, seconded by Councilmember Kualii, and unanimously carried.

C 2015-308 Communication (11/24/2015) from the County Engineer, transmitting for Council consideration, a Resolution Establishing A Crosswalk Across Rice Street, Lihu'e District, County Of Kaua'i, to provide improved connectivity for the immediate residential community to businesses and other destinations in the area, which includes rectangular rapid flashing beacons at the crosswalk to make it more visible and increase awareness of motorists traveling on Rice Street: Councilmember Chock moved to receive C 2015-308 for the record, seconded by Councilmember Kualii, and unanimously carried.

C 2015-309 Communication (12/01/2015) from the Director of Finance, transmitting for Council information, the Condition of the County Treasury Statement quaterly report as of November 3, 2015: Councilmember Chock moved to

receive C 2015-309 for the record, seconded by Councilmember Kualī'i, and unanimously carried.

C 2015-310 Communication (12/03/2015) from Council Chair Rapozo, transmitting for Council consideration and confirmation, the following reappointments to the Kaua'i Historic Preservation Review Commission for the County of Kaua'i:

- Althea Kalei Lovell Arinaga (Archaeology) – Term ending 12/31/2018
- Lawrence Chaffin, Jr. (At-Large) – Term ending 12/31/2018

Councilmember Chock moved to receive C 2015-310 for the record, seconded by Councilmember Kualī'i, and unanimously carried.

Council Chair Rapozo: Thank you. Can you read C 2015-307?

C 2015-307 Communication (11/16/2015) from the County Engineer, transmitting for Council consideration, a Resolution Establishing A Bicycle Lane Along Olohena Road, Kawaihau District, County Of Kaua'i, as a result of an engineering study completed as part of the recent resurfacing project on Olohena Road: Councilmember Kagawa moved to receive C 2015-307 for the record, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Mr. Mickens, I think you signed up to speak, so I will suspend the rules with no objection.

There being no objections, the rules were suspended.

GLENN MICKENS: For the record, Glenn Mickens. Good morning, Councilmembers. I know you folks cannot answer these questions, but I do hope that somebody can find answers for me sometime, okay? I would appreciate that. We repaved a section of Olohena Road from the roundabout to the intersection of Ka'apuni, which was badly needed. You all have copies of my testimony. I thank our Public Works Department for getting it done, but who is making the decision to put bike lanes along this narrow road that only vehicles belong on? On the eastbound lane side of Olohena, there is no room for a bike lane, so the entire road was made by a bike symbol in the middle of the road to look like a bike lane. On the west bound side of the road, a stripped area was made with the same bike symbol in it, meaning bikes only, but the lane ends just past Kapa'a Middle School. I know you are familiar with it, Councilmember Kagawa. What kind of planning is this, making a vehicle lane to be a bike lane and having a bike lane end about three hundred (300) yards from where it started? It is a law that vehicles must be aware of bikers and pedestrians, wherever they might be. Why are we putting bike symbols on a lane made for vehicles? This is the only road that I have seen this happen. I use Olohena Road almost on a daily basis and have not seen one (1) bike on this new section or on the same area before paving was done. I see an occasional biker on other parts of Olohena, but no bike lanes for them,

making it extremely dangerous for bikers. When we are going to either do a project correctly, have the funding in place from start to finish, or do not do it all, must we keep on "ready, fire, and aiming." Why is there this push for more bike lanes along our roads when the mass of the people own vehicles and will never use a bike, bus, shuttle, or walk for transportation? Any study will show that the vehicle is and will remain the major source of transportation. Even the automatic vehicle, driverless, the ones that you folks are reading about is being developed for a reason. People want the freedom to come and go as they please and no alternate means of transportation gives them that option. We have a very limited budget and it must be used on a highly prioritized basis. Only more vehicle lanes plus more alternate roads will solve our traffic problems, not buses, bikes, shuttles, or walking. The millions of dollars being spent on low priority usage is needed for road maintenance and alleviating traffic. When we plan, let us plan for the real world and not for a hypothetical dream world where things might magically happen. Thank you for hearing my testimony. I know you cannot answer these questions, but I hope to get answers. Thank you.

Council Chair Rapozo: Thank you, Mr. Mickens. Anybody else wishing to testify? If not, I will call the meeting back to order. Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: Thank you. I appreciate Glenn's comments. Having worked at Kapa'a High School for a while and frequenting the back road to get back to Līhu'e, meaning taking Olohena and going around Wailua Homesteads, coming down, and hitting the main highway; I can sympathize with all of what you are saying and my thoughts are that I occasionally see a few bikes from time-to-time, and it is just that knowledge as a defensive and caring driver that you will pass the biker when there is space and give them a lot of space and go around. Until then, you will just stay behind the biker and wait until it opens up. My fear is when we put these bike symbols, we are encouraging more people to use Olohena Road as a means of traveling, but I think when the road is substandard, it is too narrow, I agree with Glenn that we do not want to encourage people to ride their bike to Kapa'a Town from Wailua Homesteads. We would rather have them catch the bus, which is much safer and not endangering their lives and drivers' lives. I feel like sometimes leaving it unlabeled is better because we are not encouraging people. If we see a flood of more bikers riding bikes on Olohena and using that road, it will be really dangerous. Right now, it is not dangerous because you seldom see them on Olohena. Those are my thoughts, Chair. Hopefully we can get some answers from the Department of Public Works.

Council Chair Rapozo: That is the intent when the Resolution comes up. Councilmember Yukimura.

Councilmember Yukimura: That was what I was going to ask, that they be here when the Resolution comes up. Thank you.

Council Chair Rapozo: They are going to be here, I hope. Any other comments? Like Councilmember Kagawa, I share the concerns of Mr. Mickens. First of all, the project that was done requires a Council resolution prior to doing the work. You do not go and paint the roads, realign the roads, and then come to the Council and say, "Oh, by the way, we were supposed to come here first, but we did not, so we kind of need this approved after-the-fact." Now, as you read the communications and as you try to decipher the drawing that is attached to the Resolution, it would appear that they have created a bike lane. In other words, they restriped the road and created a separate lane for bikes. While that is true for some of this project, what Mr. Mickens is saying is exactly right. Because the road is too narrow, they put the bike symbol on the road and the signage is not adequate. So what that does is tells me that is a bike lane or a shared lane. Some areas of rural America where you have these narrow, winding country roads is not safe to be shared with bicycles and vehicles. Olohena Road, where this one is talking about, is one of them. We heard Mr. Mince just talk about liability in the police departments and if you are driving your vehicle and you hit a bicyclist coming down that road, just on accident, the liability to this County for encouraging that, because we put these symbols on the road, will be incredible. I agree with you, Glenn. Number one, who made this decision? The reason for resolutions in the County is not to get seven (7) people to say, "Okay." It is to provide a venue where the public can participate or where the public can come up, like you just did, and say, "Hey, I do not know if it is that safe." It is not about getting seven (7) peoples' approval. It is to provide that public input. In this case, they just said, "There is no need. We will just go and paint it, and then we are going to the Council." I am going to encourage all of you, between now and when the Resolution comes up, to seriously consider voting this down, having them go back, and remove of all of the paintings. I know somebody is going to say, "What about the cost?" Well, I am sorry; you make the person responsible who made that decision to make them pay for it out of their pocket. We cannot continue to come up and say, "Oops, but let the taxpayers fix it." No. I am irritated with this because this is a significant change to Olohena Road and a dangerous one in my opinion. I am going to ask the Kaua'i Police Department to send someone up between now and then to do an assessment. They did respond in a letter saying that they support that, but they only relied on what we have. I do not know if they sent anyone up. I want someone to go up and physically check on the safety of this transformation. The bigger problem for me is where the Department of Public Works or whoever that administrative department is to do things that require this body's approval and just basically say, "Let us do it anyway." That is what bothers me. That is the show of disrespect that I believe last week Wednesday we were here with the road passing Donkey Beach, it was the same thing: "Oops, we messed up." Like a little kid, I think this body needs to say, "Now you are going to be punished. You go back and put it where it was, and then you come in and go through the process." I hope I can get the support for that because this has to stop, I guess, is what I am trying to say. This is just the Communication. The Resolution will be up later this afternoon.

The motion to receive C 2015-307 for the record was then put, and unanimously carried.

Ms. Fountain-Tanigawa:

The next item is on page 2.

COMMUNICATIONS:

C 2015-297 Communication (11/16/2015) from the Director of Human Resources, transmitting for Council information, the November 15, 2015 report, pursuant to Section 19 the Operating Budget Provisos of the County of Kaua'i for the Fiscal Year 2015-2016, which includes new hires, transfers, reallocations, promotions, and vacancies for the period July 1, 2015 to November 15, 2015: Councilmember Chock moved to receive C 2015-297 for the record, seconded by Councilmember Kagawa.

Council Chair Rapozo: Discussion? Councilmember Kualii, did you have some questions?

Councilmember Kualii: Yes, I was able to meet with Human Resources and I got all of my questions answered satisfactorily. Was there a handout or something that was here today?

Council Chair Rapozo: Yes, it is in your packet.

Councilmember Kualii: Okay. They were helpful in providing additional information and putting in the totals for the savings where it made sense, so you will see that in the handout.

Council Chair Rapozo: Any discussion? Any public testimony?

There being no objections, the motion to receive C 2015-297 for the record was then put, and unanimously carried.

C 2015-311 Communication (09/14/2015) from the Director of Finance, transmitting for Council consideration, a proposal to establish a new Article under Chapter 5 of the Kaua'i County Code 1987, as amended, to establish a General Excise and Use Tax Surcharge for the County of Kaua'i: Councilmember Chock moved to receive C 2015-311 for the record, seconded by Councilmember Kaneshiro.

Ms. Fountain-Tanigawa: There are two (2) registered speakers at this time.

Council Chair Rapozo: Thank you. The rules are suspended with no objections. May I have the first speaker?

Ms. Fountain-Tanigawa: The first registered speaker is Glenn Mickens, followed by Gino Soquena.

There being no objections, the rules were suspended.

Mr. Mickens: For the record, Glenn Mickens. I believe you have a copy of my testimony. Let me read it for the viewing public: "Excise tax for roads and bridges—let us find and eliminate the waste in our system before we

raise taxes again. As Councilmember Hooser so wisely stated, 'Instead of raising the General Excise Tax (GET) to manage traffic problems, the County needs to better manage its spending. The County needs to operate within its funds and at the end of the day in the near term, we need to get a handle on the budget.' Here again is exactly why we need a county-manager to not only help us get a handle on the budget, but everything else that is wrong in the operation of our County. As examples, we spend four million eight hundred thousand dollars (\$4,800,000) on the Olohena Bridge over a ditch, not a river or stream, whereas the Acrow people would have built it for under six hundred thousand dollars (\$600,000) and it would have been in place in two (2) days, instead of shutting that road down for three (3) months. The Kilauea Bridge cost is twelve million dollars (\$12,000,000) to rebuild, whereas the Acrow Company would have built it for under one million dollars (\$1,000,000) with a few days lost for road usage. This company built the bridge across the Wailua River so there is no doubt about their capabilities or the County hiring them, all complete waste that should not happen. I have testified and shown you examples of millions of dollars of waste over the years through at least four (4) administrations, so it is way past time to activate a new style of government, county-manager type." Thank you very much.

Ms. Fountain-Tanigawa: The next speaker is Gino Soquena.

GINA SOQUENA: Good morning, Chair, Vice Chair, and Members of the Council. My name is Gino Soquena. I am the Government Relations Director for the Hawai'i Laborers Union Local 368. Thank you for the opportunity to testify in support of establishing a GET surcharge. The Laborers Union has been a strong supporter in getting the GET passed in Honolulu, O'ahu, in the State Legislature, and now in the City Council. We are still working to get that. We welcome Kaua'i County adopting a GET surcharge that would create some construction activity that would put our members, others trades people, and other citizens of Kaua'i back to work. Thank you.

Council Chair Rapozo: Thank you very much. We appreciate your testimony.

Ms. Fountain-Tanigawa: The next speaker is Tyler Dos Santos-Tam.

TYLER DOS SANTOS-TAM: Good morning, Councilmembers. I am Tyler Dos Santos-Tam, Executive Director of the Hawai'i Construction Alliance, which represents the State's fifteen thousand (15,000) unionized carpenters, laborers, cement masons, bricklayers, and operating engineers. I have the privilege of working with Gino very closely on our government affairs program and I just want to echo some of his comments that he made in support of Kaua'i establishing a GET surcharge. As he mentioned, we were strong proponents of House Bill (HB) 134 at the State Legislature last session, not only for the Honolulu Rail Transit project, but also so the neighbor islands could avail themselves of this opportunity. So I want to thank you for bringing this Bill up for discussion. I want to thank those Councilmembers who came to the Legislature last spring to help us push this forward and I think the time really is right now for the various counties of our State to think about implementing this. It is no secret that we have major infrastructure

challenges statewide, but from the construction industry standpoint, times are pretty good right now in 2015. But who knows what that is going to be like in 2017, 2018, or 2019. If we have public works projects ready to go and if the County has the funding to start the planning, design, and implementation of these bills then we are going to have a much more stable climate economically for our construction workers. Times were really tough in 2008 and 2009 when we did not have these sorts of public works projects, and you folks definitely saw that here on Kaua'i and also statewide, and we want to avoid that in the next downturn, whenever that might be. If the County of Kaua'i is ready to go, rebuilding bridges, roads, and increasing our bus system so that we can move people from their homes and jobs without clogging up the roads, I think the time is right to do it. I thank you for bringing this forward and urge you to move this Bill along. Thank you.

Council Chair Rapozo: Thank you very much. I appreciate it.
Councilmember Yukimura.

Councilmember Yukimura: Tyler, could you restate or rephrase your point about the importance of public transportation?

Mr. Dos Santos-Tam: Absolutely.

Council Chair Rapozo: By restating or rephrasing, that does not mean to expand on it. Just restate what you talked about.

Mr. Dos Santos-Tam: Okay. We absolutely support having more public transportation. The Bill includes twenty-five percent (25%) going to public transit, and as we know, that gets people from homes to jobs, to shopping, to where they need to go without clogging up our roads.

Council Chair Rapozo: Thank you. Any other speakers?

Ms. Fountain-Tanigawa: No further registered speakers.

Council Chair Rapozo: If not, is there anyone else here to testify on this Communication? Mr. Taylor.

KEN TAYLOR: Chair and Members of the Council, my name is Ken Taylor. While I understand the importance of public transportation, I have some concerns again about taxing, primarily on fixed income people and low income people, who get hit the hardest with taxes. One of the unfortunate things in my mind here in Hawai'i are taxes on food. You can go without a lot of things, but food and water is not possible to alleviate. I do not know how you solve public transportation, but if I was to ride the bus from my home to here, the first thing I would have is a one (1) mile walk to get to the bus stop, then I would have a two (2) hour trip, making a change of buses in Kapa'a. It is not realistic to be at a meeting at 8:30 a.m. or even 9:00 a.m. and spend two (2) hours getting here on public transportation. Until we can see some way of making that better—I do not think so...one of the problems with planning on this island again is everything is sprawled out. When you have sprawl, public transportation not only costs a lot

more, but it is impractical and until we get to planning properly and make more compact activities, we keep sprawling. Every time you build another house outside of Līhu'e, that is sprawl. If we keep going down this road, we are never going to solve the problem. We cannot keep building highway lanes and continue to allow growth. It does not work out. At this point in time, I am really not in favor of moving forward with this additional sales tax. Thank you.

Council Chair Rapozo: Thank you. Is there anyone else in the audience wishing to testify on this matter? If not, I understand that the Administration will be presenting their condensed plan at this point. Is that correct? Okay.

BERNARD P. CARVALHO, JR., Mayor: Smile, it is a great day. Good morning and *aloha*. Thank you very much, Council Chair. We were here last week and now we are here again with this item on our agenda. Without going into too much detail for myself, I just wanted to say *mahalo* for that. Number two, all I can say is that opportunities come and opportunities go. At this particular point in time in our Administration, we have assembled a great team of people who surround us, who have tried to do their very best in every single way to come up with some kind of solutions, options, and responsible responses back to you folks. We have gone and vetted it out and we have gone through so many hours of discussion from our fiscal team and our Department of Public Works team; looking at projects, looking at timelines, and trying to figure out how we are going to do this in three (3) years, four (4) years, five (5) years, and ten (10) years, "What do you folks need to help make this decision to move this forward?" We have been out in the community, talking to various groups and organizations. So that is where I am coming from this morning, to say that a lot of work has been done. We have been through numerous discussions and our team members have spent hours on trying to help the public understand the importance of this opportunity and we look forward to a healthy discussion. We have additional information for you folks this morning to help support some of your questions and concerns, and hopefully the public themselves can see that this again is a chance for us to really look at our roads, bridges, and transportation options on this island. I believe strongly as Mayor that this is just a good chance for us to look at this and embrace this chance for our County. Thank you for the opportunity and I look forward to a healthy discussion. I am going to turn it over now to our one and only Finance Director, Ken Shimonishi.

KEN M. SHIMONISHI, Director of Finance: Thank you, Mayor. Ken Shimonishi, Finance Director. We have the GE tax presentation. This is a rather condensed version of what was presented to the Council last week Wednesday, but we thought it would be good to go through and basically refresh the points that were made. In addition to the presentation, we have also attached more detailed schedules of what we can expect to apply these GET surcharges to with regards to our roads maintenance, bridge work, and so on. We have the Department of Public Works here to address some of those questions that I am sure you may have on the listing of roads. Again, our GE tax presentation that we have been sharing across with the various organizations, as well as with the media...really, the background for this, as you all know, was that the counties were authorized through Act 240 of

the regular Legislative Session of 2015, which enables the counties to increase the GE tax surcharge up to one-half percent (0.5%). The counties must adopt an ordinance between July 1, 2015 and June 30, 2016, and the effective date of the surcharge is January 1, 2018 through December 31, 2027. So it would be a one (1) year period in which to enact this ordinance, which would be effective for a ten (10) year period. The allowed uses of the surcharge would be for the counties, except O'ahu, which is tied into their mass transit, would be for operating or capital costs of public transportation within each county for public transportation systems, including public roadway or highways; public buses, trains, ferries; pedestrian paths or sidewalks; bicycle paths; and expenses in complying with the Americans With Disabilities Act (ADA) of 1990, with respect to paragraph 1, so a rather constrained use of the funds.

Why the surcharge? The feedback that we have gotten from our Farm Bureau survey, as well as some of our outreach to the neighborhood associations, indicate that what people are not satisfied with, which is the amount of traffic, affordable housing, and conditions of the streets and sidewalks. We also got a visitors survey done by the Kaua'i Economic Development Board (KEDB) and the top thing that visitors did not like about their visit was traffic and roads.

LARRY DILL, P.E., County Engineer: Good morning. For the record, Larry Dill, County Engineer. As we have expressed to Council in the past, we have had an inspection done by a consultant of our roads just a few years ago now where they assessed and applied a cost estimate to all the our County roads on the island that are in need of overlay work or reconstruction, and the approximate number that totaled to is about one hundred four million dollars (\$104,000,000) in road repairs that were needed. At our current level of funding, about one million two hundred thousand dollars (\$1,200,000) a year, it would be very difficult/impossible for us to catch up, so we are continually falling behind the curb. As mentioned in the note there, our intent was in order to get better unit costs and come out with a bigger pot of money to increase competition for the bids. We are currently planning on doing a road resurfacing project every other year with two million four hundred thousand dollars (\$2,400,000) from the Highway Fund, appropriating one million two hundred thousand dollars (\$1,200,000) every year. That means that we would use about half the money to do a local roads project every other year, two million dollars (\$2,000,000) worth, and then with the four hundred thousand dollars (\$400,000) we would leverage Federal Highway Funds to do a two million dollar (\$2,000,000) collector road project as well. We have a current estimate right now of about twenty-four million dollars (\$24,000,000) of needed bridge repairs. Here are a few shots of some of our existing County bridges. You can see that a lot of these bridges are old and suffer from spalling in the ocean environment that most of these bridges are near and causes a lot of damage to the concrete, so they lose integrity. You can see the cracking. A lot of our bridges have I-beams and steel frameworks, and again in our aggressive environment near the ocean, those are subject to corrosion and a lot of those are in need of repair. As we also mentioned to you, a need that we see that could significantly be aided by the implementation of the GE tax would help to fund a centralized vehicle and equipment repair shop that would accommodate basically all of the County's vehicle and equipment needs. Currently, the Department of Public Works' auto shop that is shown in the picture here, we

maintain approximately four hundred fifty (450) units and the main customers are the Kaua'i Police Department; ourselves, the Department of Public Works; and the Department of Parks and Recreation. I think it is worth noting that back in 1978 when this facility was originally constructed, the KPD fleet consisted of six (6) vehicles. Today that fleet is up to one hundred eighty (180) vehicles and we are still operating from that same location. I have to give a shout-out to our auto shop guys who make the most of that facility and do a great job over there, but they are really bursting at the seams. As noted on the bottom note on the slide there, the Kaua'i Fire Department maintains sixty-five (65) units with their own mechanics. They do that with no facility. They basically go from site to site and do it out in the open, subject to weather conditions, so they would really benefit from the establishment of a centralized facility. The Transportation Agency has their own facility. Right now, they take care of their own fleet. You can see that that facility is inadequate and a lot of the vehicles there do not fit inside the base, as you can see in the picture on the left. They are the larger buses that are required work to be performed outdoors on a mobile lift, again, subject to weather-permitting conditions.

CELIA M. MAHIKOA, Director on Transportation: Celia Mahikoa with the Transportation Agency. I will go over and review some of the expansion efforts that have happened over the past several years. As far as the most recent expansions that we have gone through in fiscal year 2012, we have added Sunday service and three (3) hours of additional service into the evening on weeknights, which took an investment upfront of one million two hundred thousand dollars (\$1,200,000). That same year, we added to the Kapahi Shuttle three (3) morning routes because there were vacancies in the hourly service, serving Kapahi, bringing individuals down to accessing the mainline and accessing the Kapa'a area. That took an investment of about fifty thousand dollars (\$50,000). In fiscal year 2013, we requested additional matching funds to the Federal Transit Administration (FTA) funds that were provided for vehicle replacements, which was an additional amount that was provided to us by the State of Good Repair Grant award. That allowed us to be able to procure additional vehicles to support the additional service that was being provided. Last fiscal year, we added three (3) holidays, so we are now serving three hundred sixty-five (365) days a year, being able to move the individuals around on Kaua'i. This shows the increase in ridership that has occurred. As we have made investments in transit, there have clearly been increases in ridership that have paralleled those investments, showing that our return on investments have been significant and that once people are familiar with the transit being provided, they are much more willing to utilize it, and when they see the consistency of the service being provided, they also utilize it.

As far as what we are seeing for future service expansion, we see needing satellite baseyards. We are at a point where we are completely maxed out on the space in our existing facility. Therefore, we have identified the need to move several buses in the fleet to strategically locate them in better locations. We are looking at one up north and one out west, as far as satellite baseyard locations that will reduce the deadhead hours on the vehicles, as well as the transportation time for our drivers in all of them reporting to a centralized baseyard right now. We see the amount coming up that will be needed for fleet replacement and expansion over the period that is in discussion on this GET proposal, sixteen million dollars

(\$16,000,000). As far as the administration facility, we are maxed out space-wise there, so we would need to do some improvements there in order to be able to address the added manpower needed to support expansion of service. As far as the frontline service operation expansion amounts that we see being able to utilize for the GET revenue would be forty-one million dollars (\$41,000,000), which would support pretty much all of the other expenses involved in bus driver salaries and fringe, fuel, repair and maintenance, and all of the other expenses that are entailed in providing public transit service. We currently have transit studies in progress.

LEE STEINMETZ, Transportation Planner: Good morning, Chair and Members of the Council. My name is Lee Steinmetz. I am the Transportation Planner with the Planning Department and I have been supporting both the Department of Public Works and the Transportation Agency in terms of some of our transportation planning, and I specifically relate it to transit. I wanted to let you know some of the planning efforts that are ongoing that will also have influenced the expenditure of funds in the future. One is a transportation feasibility study looking at shuttles for the north shore, south shore, and east side, and by "shuttle" is just meant that this is more a local service as opposed to regional service within our transportation system. Whether those are publically or privately operated is still to be determined, but basically what we are looking at is how we can improve our service for both locals and visitors in these key areas. There are some exciting ideas that are coming out of that. It also includes system improvements to the main line because everything needs to be coordinated with everything else. Kind of what we are finding is that some of this will be expansion of service, but some of it will also be consolidation of existing service in making our existing service more efficient. We will be looking at both of those as we work through this plan and we will be coming to you in February with an update and a progress report on that plan. We also have a short-range transit plan that we will be launching soon after the first of the year. This will be taking the recommendations from the feasibility study and also looking at the existing system and coming up with specific priorities and operations plans to move the Transportation Agency forward. I also wanted to mention our Multimodal Land Transportation Plan (MLTP), which is really the County's guiding document in terms of looking at the future of transportation. This is a plan that was adopted by the Council in 2013. We know that one of the major issues that we deal with in our County is congestion and the preferred scenario looks at how can we deal with that in a cost efficient way? Part of that solution is to look at what is sometimes called "mode shift." As you can see in these pie charts, over time the number of users using various modes of transportation will shift and the large red piece of the pie is single-occupancy vehicles. Well, that will continue to remain a large and really the largest portion of our transportation system. Therefore, it is really important that we continue to invest in our roads system. We are also looking at shifting some trips to transit, pedestrian, and bicycle use and can you see the portions of that pie also increasing. It is important as we look at future transportation investments that we look at improving the infrastructure and the systems for all of those modes. That is what the GET reflects in terms of investing to allow us to make this shift as proposed in the MLTP, which is of course, the plan that the Council has approved.

Mr. Shimonishi: In summary, one-half percent (0.5%) of the GE tax surcharge is expected to generate between two hundred forty million dollars (\$240,000,000) and two hundred fifty-five million dollars (\$255,000,000) over the next ten (10) years. Some of the slides that we cover would indicate how we could apply these moneys: sixty-three million dollars (\$63,000,000) towards our roads and reconstruction, along with a federal match on that to get to the one hundred million dollars (\$105,000,000); highways equipment replacement of twelve million five hundred thousand dollars (\$12,500,000); the new consolidated auto shop facility of ten million one hundred thousand dollars (\$10,100,000), plus outside financing of six million seven hundred thousand dollars (\$6,700,000) to get to seventeen million dollars (\$17,000,000) roughly; bridge repair of twelve million four hundred thousand dollars (\$12,400,000), again with some matching dollars on eleven million two hundred thousand dollars (\$11,200,000), roughly twenty-four million dollars (\$24,000,000); any new transportation initiatives and projects, possibly including additional bridge work, ninety-three million dollars (\$93,000,000); and then our transit capital expansion at eighteen million seven hundred thousand dollars (\$18,700,000); and operations at forty-five million dollars (\$45,000,000). Again, over a ten (10)-year period, our estimated breakdown at this point is rather rough, but that is how we see it going forward. We know that the surcharge, as mentioned earlier, is for a ten (10) year period, so what is the risk that we see of relying on the surcharge to run our operations? Currently, that would be about five hundred thousand dollars (\$500,000) in our highways, Roads Division, which would have to include the elimination of staff positions that were related to the ramp-up of these projects and about five million dollars (\$5,000,000) in our transportation operations in elimination of staff or reduction of services, or do we try to fund this in some other form? If not the GE tax surcharge, what are some other options that we could look at? This assumes that we would try to raise seven million six hundred thousand dollars (\$7,600,000) a year to fund just the road resurfacing and initial bridge work, estimated at twenty-four million dollars (\$24,000,000) and one hundred five million dollars (\$105,000,000), but the seven million six hundred thousand dollars (\$7,600,000) would be just the GE portion that we are currently applying. If we were looking at fuel taxes, this would mean that we would have to increase the County's fuel tax by roughly twenty-five cents (\$0.25) cents per gallon to get to the seven million six hundred thousand dollars (\$7,600,000). Our vehicle weight taxes of four point five cents (4.5¢) per pound to get to the seven million six hundred thousand dollars (\$7,600,000), as you can see the percentage increase in each of those. Real property is another area. To get to seven million six hundred thousand dollars (\$7,600,000) would be six point seven percent (6.7%). The Transient Accommodations Tax (TAT) working group, which was convened by the Legislature and Governor, we know that the recommendation, which was made unanimously by this group, which is coming out I think the end of this year, is favorable to the counties; however, passage by the Legislature remains uncertain.

A straightforward calculation on how this surcharge might impact your spending: basically, right now it is four percent (4%). Typically, the pass-on rate is four point one six six (4.166), so on a spending of ten dollars (\$10), you are paying forty-two cents (\$0.42) in GE taxes. With a one-half percent (0.5%) increase, that pass-on would be four point one seven (4.17), so in ten dollars (\$10) of spending, you would now be taxed at forty-seven cents (\$0.47), so basically a five cent (\$0.05) or

nickel increase on ten dollars (\$10) worth of spending. If you spent one hundred dollars (\$100), that would be fifty-five cents (\$0.55), and one thousand dollars (\$1,000) would be five dollars and forty-six cents (\$5.46) is the impact that you would see. Some examples of what is not impacted by our GE tax would be mortgage payments, health insurance premiums, healthcare if you are going to a nonprofit or state provider, prescriptions and prosthetic devices, donations, food stamp purchases, and any wholesale activities; however in general, everyone pays, including our visitors. It is estimated that the visitors pay roughly thirty percent (30%) to thirty-five percent (35%) of the GE tax revenue for the island of Kaua'i.

Something else that we looked at was a study done by the Massachusetts Institute of Technology (MIT) – Department of Urban Studies and Planning on what the typical expenses might be for the County of Kaua'i. They have various different family compositions in this analysis. We just selected a few. Again, if you looked at one (1) adult, one (1) child on how their typical expenses might break; two (2) adults, one (1) working, one (1) child; two (2) adults, both working, one (1) child; and so on. In the first column, you can see that five thousand three hundred dollars (\$5,300) might go towards food, seven thousand five hundred dollars (\$7,500) for childcare, medical preferably five thousand dollars (\$5,000), housing at nineteen thousand dollars (\$19,000), and so on. If all of those expenditures were GE taxable, then one-half percent (0.5%) would mean a two hundred forty-two (\$242) dollar per year impact on this spending. As I mentioned earlier, some of the spending could actually be excluded. Again, if your medical is going to a nonprofit or state provider...if you excluded that, then that would mean that that impact would be two hundred seventeen dollars (\$217), and if you excluded housing being that it was part of your mortgage or to a certain degree like rents, although taxable from the landlord standpoint may not necessarily be directly reflected in the lease itself as it is driven more by fair market values or in the case of long-term affordable rentals, that is capped at a rate not to exceed. By excluding those amounts, this impact would be one hundred twenty-one dollars (\$121) for one (1) adult and one (1) child based on their spending, roughly thirty-three cents (\$0.33) a day, and you can see what the impact is for the other family compositions, again assuming that those expenditures could be excluded from the GE tax.

Are there any questions or comments on the presentation? This is very similar to what we presented last week Wednesday, as I mentioned. We just wanted to reiterate those points. What we have included now are some schedules to support our estimates on the GE tax revenue that we are thinking we are getting; how the seventy-five percent (75%) roads and highways estimates are calculated, as well as the transportation portion, and in addition, more detailed schedules on the local collector roads schedule, which would be our resurfacing/reconstruction, overlays, etcetera, and the road bridge project schedule as well.

Council Chair Rapozo: Is that it? Okay. We will open it up to questions. Let us start in the order that they presented, if possible, so that we are not jumping all over the place and we can have them up as we need. Are there any questions on the presentation? It is similar to what we had last week as far as the need. Councilmember Yukimura.

Councilmember Yukimura: Ken, are you saying that for people who are paying rents, they are not going to have to pay the excise tax on rents?

Mr. Shimonishi: If they are in the Long-Term Affordable Rental program and the landlord has reached that limit, as far as the rent that they are being charged, it cannot be added on top of that. That would be the mortgage scenario. The other scenario that I mentioned was if you have a tenant and let us say the rent is one thousand dollars (\$1,000) a month, I think it is unlikely that the landlord will say, "Next year, I am going to charge you one thousand five dollars and forty-six cents (\$1,005.46)." Probably what would happen is they would look at what the market conditions are, fair market rents being charged, and say, "Your rent is going to go to one thousand fifty dollars (\$1,050) or one thousand one hundred dollars (\$1,100), so that would be baked in. The landlord would still be subject to the GE tax surcharge. Anything that is currently GE taxable will remain applicable with this surcharge, but I do not see that as direct correlation, maybe eventually it gets folded in. I think for five dollars and forty-six cents (\$5.46) or seven dollars (\$7), I do not believe that would be a direct link, rather more of an analysis by the landlord to say, "What are the rents currently," and set the rents accordingly.

Councilmember Yukimura: First of all, what percentage of all the affordable rents on this island is under our affordable housing tax rate program?

Mr. Shimonishi: I think going off the top of my head at the last meeting that we were talking about it, we were saying that more than eighty percent (80%) was below the limits.

Councilmember Yukimura: But they are getting the tax credit?

Mr. Shimonishi: The landlords are getting the real property beneficial tax rate.

Councilmember Yukimura: Right. You are saying that they cannot raise their rents.

Mr. Shimonishi: I am saying if they are already at the limit. As an example...

Councilmember Yukimura: You are talking about this as if it takes care of all of our renters and that they are not going to be affected by an increase in the GET.

Mr. Shimonishi: I think what I said is more likely that the rents would be set according to what the prevailing market will bear.

Councilmember Yukimura: Well, that is one way of getting their excise taxes, right? Just increase the rent.

Mr. Shimonishi: That is a possibility. Again, is it going to be an additional five dollars (\$5) on top of the one thousand dollars (\$1,000) or are they just going to say that the market is currently at fifty dollars (\$50) more, so I am just going to charge the fifty dollars (\$50) more, in which case they would have paid that regardless.

Councilmember Yukimura: Then people have to pay an excise tax on top of that.

Mr. Shimonishi: The landlord will pay whatever is currently subject to the four percent (4%) will pay four and a half (4.5).

Councilmember Yukimura: I have an elderly tenant who has been supporting the excise tax because she is totally dependent on the bus and she does not mind paying that amount.

Council Chair Rapozo: Councilmember Yukimura, what you are doing again is using this opportunity to justify your position.

Councilmember Yukimura: No...

Council Chair Rapozo: You asked him a question and he answered it. You need to ask him a question.

Councilmember Yukimura: Excuse me, Chair, I am talking about a situation...

Council Chair Rapozo: You can do that in discussion.

Councilmember Yukimura: No, it is related to the question I am asking him. Please allow me to ask.

Council Chair Rapozo: I am, but you are not asking and that is the problem. Here we go again.

Councilmember Yukimura: I am setting up the situation, and then going to ask the question.

Council Chair Rapozo: Proceed, but focus on the question. Otherwise...

Councilmember Yukimura: I cannot ask my question without giving him the details.

Council Chair Rapozo: Well, let us try it again.

Councilmember Yukimura: Okay. Thank you. She is calculating how much she would have to pay. She is saying, "I am for the tax, but I have to pay this

additional excise tax because of the rise in excise tax," so this tax is being passed on to the renters. Is it?

Mr. Shimonishi: Again, is the landlord setting the rent according to the overall market or are they truly going to make a decision to just increase it solely by the GE tax increase? In my opinion, at least from my property that I rent out, I am not going to go back and just say, "Your rent is five dollars and forty-six cents (\$5.46) more a month next year. If it is more likely that the increases will be twenty-five dollars (\$25), then I will just say it will be twenty-five dollars (\$25) more. So regardless if the GE tax surcharge went in or not, that would be the rent that is being charged.

Councilmember Yukimura: So you do not think there will be landlords who just increase the tax because they have to pay an additional tax?

Mr. Shimonishi: I think that is a real possibility, but again, to just single that piece out solely, I think it may come to this decision, but more than likely I think the overall market is what constitutes their decision.

Councilmember Yukimura: Therefore, you are saying that the impact of the tax will not be great on low and moderate-income working families?

Mr. Shimonishi: It depends on spending, right?

Councilmember Yukimura: They have to spend more for necessities than the richer families, so that is why they say that the tax is regressive because people do not have a choice whether to spend or not. They have to spend it. How do you address that?

Mr. Shimonishi: Again, I think we are looking at programs for low-income elderly, deeply discounted transit bus passes, but again...

Councilmember Yukimura: We are?

Mr. Shimonishi: I am just saying that as the Administration, those are the discussions that we are having on how to try and get some targeted relief. I think those are a little early in the discussions, but that is something we are looking at.

Councilmember Yukimura: Then you are going to have people saying that the transit riders are not paying for their way.

Council Chair Rapozo: Now we are really...let me just say this because otherwise it is going to get out-of-hand. The Administration did a presentation. Whether you agree or disagree or whether you think it is regressive or not regressive, today is not the day to convince the Administration that they are wrong and that they are doing something wrong. Today is the day to ask them specific questions about the presentation that they have provided. This is going to go to Committee. The value today that...we changed the rules or we allowed the

testimony today and the presentations to have the discussion before the public hearing so that the public has a better understanding of the Bill before the public hearing, rather than just pass it through first reading. Let us focus on the presentation. If you have questions on the numbers or projects, then that is fine, but let us not get into a debate on whether it is regressive or these people are going to pay more. You have that right to decide what you want, but as far as today's discussion, I want to limit it to the questions on the presentations specifically. Councilmember Yukimura has asked for some extra time today to do a presentation, which I have allowed her to do because I believe it is fair, but let us use this time to ask questions of the Administration on their presentation today, not why you think it is regressive. I am going to go on to Councilmember Hooser because I think we need to move on.

Councilmember Yukimura: Chair, I just want to say that I am trying to ask the Administration for documentation of their position.

Council Chair Rapozo: Right. We can do that in writing and at the Committee. I want to make sure that the presentation is clear to the Councilmembers before we go into preparing our discussions as we go forward. That is all I am trying to do today. Thank you. Councilmember Hooser.

Councilmember Hooser: Thank you, Chair. Good morning, Director. My questions are hopefully permissible, but they address what I see as gaps in the presentation. I share Councilmember Yukimura's concerns that the presentation may allude to "this is not going to impact this group," but actually it will impact that group. Good people can disagree on that. The general excise tax is a tax paid by the seller of the property. Is that correct? The law requires the seller to pay the tax, not the buyer to pay the tax.

Mr. Shimonishi: Yes.

Councilmember Hooser: The law allows the seller to pass on the costs to the buyer and right now I believe it is four point one seven (4.17). Most sellers add on to whatever they are selling, whether it is a dress, sandwich, or rent. They are adding four point one seven (4.17) above and beyond the four percent (4%). They are allowed to do that also. Is that correct?

Mr. Shimonishi: Yes. That is what I showed in the presentation. Four point one six six (4.166) is the percentage that is typically passed on.

Councilmember Hooser: So when we are doing estimates on the impacts to people, then those higher numbers...so if we are going to add on one-half percent (0.5%), the effective tax that is passed on would be what?

Mr. Shimonishi: Again, the typical pass-on would be four point seven one two (4.712), I think, is the number.

Councilmember Hooser: Four point seven one two (4.712).

Mr. Shimonishi: Right.

Councilmember Hooser: Okay.

Mr. Shimonishi: In the examples that I used like the ten dollars (\$10) of spending, the impact would be roughly five cents (\$0.05) more. On one hundred dollars (\$100), it would be fifty-five cents (\$0.55). On one thousand dollars (\$1,000), it would be five dollars and forty-six cents (\$5.46) more. Anything that is currently subject to GE tax that is having the full pass-on, those are the impacts that would be calculated. We have a small rental also and I know a lot of people that rent and I think most people just say, "This is the cost of the product plus tax," and the buyer pays the tax. There has been a lot of discussion around the State during other attempts to increase the GE tax over the years and I have not seen any reference to that in the actual cost of the tax, the "pyramiding effect." Many economists will say that a four percent (4%) tax is equivalent to much more than that because of pyramiding. For example, a storeowner pays four point one six six (4.166) on their lease, and then they build that into their cost of doing business and when they sell it, they will sell the product again, so the product is already more expensive because of the passed on cost, and then they sell it and charge another four point one six six (4.166). Will you be discussing the pyramiding effect and the actual cost to consumers at some point?

Mr. Shimonishi: That is something that we could look at, but I think it will take a lot more research and probably some outreach to economists or something. I do not think that is something currently within my grasp.

Councilmember Hooser: I do not want to put words in your mouth because when I say "would you agree," you can disagree if you would like to. Would you agree that there is a pyramiding effect that significantly increases the cost of doing business and the effect of the tax?

Mr. Shimonishi: I would say that there is a pyramiding effect. I am not sure I could say how significant that would be.

Councilmember Hooser: Okay. Thank you.

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: Thank you, Chair. Thank you for the presentation. I think the needs presented are very clear. I have a question, and I do not expect a concise answer, but hopefully just opening it up for discussion. The question is what it would take to provide an annual tax return of whatever...I think you mentioned between two hundred dollars (\$200) to two hundred forty-two dollars (\$242), that average cost to local residents of a certain income level, low-income level. What would that take?

Mr. Shimonishi: I am sorry, I do not quite understand the question.

Councilmember Chock: This tax would have the most impact on people with low-incomes that cannot afford it. So my question is, is there any mechanism or a way for us and what would it take to be able to provide that kind of annual return, like a refund for that amount that is average expensed on an annual basis, like an exemption so to speak. Is there a way to do that?

Mr. Shimonishi: So the GE tax obviously is a State administered tax and if you are saying from the County what kind of relief can we provide, that would entail what the County currently collects from the residents. If we are looking at real property, vehicle weight, fuel, or some other form that we would not charge as much, potentially.

Councilmember Chock: It is just a question. They file their annual taxes and they are Kaua'i residents and make so much money. They get two hundred dollars (\$200) back. I am just throwing it out there in terms of ideas of what it is we can do to protect those who need that money, that income. It is just a question to consider. Thank you.

NADINE K. NAKAMURA, Managing Director: Nadine Nakamura, Managing Director. That was also discussed in preliminary policy meetings on our end about the food that is taxed. I think efforts were made to address the medicine, so that is not taxed but prescription drugs, but I believe food, drinks, and so forth. Again as Ken said, it would take state legislation and every year in our following up on that suggestion earlier was that every year bills get introduced to exempt food and beverages from GET, and every year from what I understand, it does not make it to committee. So efforts have been made and if you want to go in that direction, that is something that would take the Hawai'i State Association of Counties (HSAC) and Hawai'i Conference of Mayors (HCOM) working together to try to move that initiative forward. In the meantime at the last briefing, Councilmember Kualii suggested that we look into other ways to assist elderly *kūpuna*, disabled people, and those who would pay the GET, but find a way to assist. We just had some preliminary discussions about how we might be able to do that through either free or subsidized bus passes.

Councilmember Chock: Bus passes?

Ms. Nakamura: It is a suggestion and it is something that was brought up on the floor and something that we feel should be discussed.

Councilmember Chock: That is good. Thank you.

Council Chair Rapozo: Councilmember Kualii.

Councilmember Kualii: I still believe that we need to hear from the Administration on what your plans are for the targeted relief for the low-income seniors and the other most needy in our community, so we want to know what is possible and what you are putting forward as part of this package. My question starts from slides number 6 and 7 regarding roads and bridges. I agree that we

have critical infrastructure needs here, so we have to look at all funding sources. It is mainly about money, so I think it is a question for you, Ken. As far as funding, you show the federal funds and the twenty/eighty percent (20%/80%) match. Are we currently maximizing the amount of federal funding that we are eligible for, for roads and bridges? With the one hundred four million dollar (\$104,000,000) backlog and twenty-four million dollars (\$24,000,000) in bridges, I am curious as to how it has gotten so bad like the bridges, the most urgently needed bridges. You do not have to wait for GET moneys to address that, right? We have other funding sources. What are our other funding sources, instead of only relying on this future GET revenue?

Mr. Dill: Good morning. For the record, Larry Dill, County Engineer. Our current sources of funding that we use to implement to repair, reconstruct, and refurbish our existing roadway infrastructure, roads, and bridges are General Funds, Bond Funds, and Highway Funds. Those are the funds that are appropriated by the Council. For roads and bridges that qualify as federal aid, because federal aid do not support what they call our "local roads." They are only generally speaking "collector roads" or "higher in category." Those are the roads that carry more of the regional traffic. Those roads qualify for federal aid funding, and then we can use our appropriated county funds to leverage federal highways funds, so those are done typically at a twenty percent/eighty percent (20%/80%) match. Occasionally, there are other programs, but generally speaking, it is eighty percent (80%) federal moneys and twenty percent (20%) county moneys. There is a limit to that amount of funding that is available to us. Generally speaking, we have been told that we can expect about ten million dollars (\$10,000,000) a year to come in federal aid funding between us and the State. We are competing for those funds around the nation, and then it comes to Hawai'i and we compete with the various counties and the Department of Transportation (DOT) for those funds. Generally speaking, that is the limit. We have leveraged as best we can, county funds that we have available, versus what is available to us from federal highways. I will say that we have given you a lot of spreadsheets this morning and I would like to reference one of them. It is the first page that says "GE Tax Estimates For 0.5% County Surcharge." If you look at the second page, there are some notes in the far right-hand corner and you will see a few times the note, "Subject To Available Federal Highways Funding." Those are the locations where we are looking to leverage Federal Highways funding. I will say that I have had very informal discussions with leadership at DOT about this plan, and noncommittally they indicate that this is not unreasonable to expect this level of funding during this ten (10) year timeframe. There is low commitment there, but I wanted to get at least some sort of indication that what we are proposing here is not unrealistic. This would be a greater level of funding that we have seen consistently in the past with Federal Highways, so we would be incumbent upon us to make sure that we have resources to get these projects out because the DOT and Federal Highway is very concerned about the commitment of funds without getting the projects out the door. We need to make sure that we have the resources to support us getting this level of work out as well.

Councilmember Kualii: By that you mean that we have not been able to do that in past because we do not have our share of the twenty percent (20%) to

maximize the eighty percent (80%) that we could get from the federal government through the State, competing with others with the State? We hear about the successes with the Transportation Investment Generating Economic Recovery (TIGER) grants, Complete Streets, and all of that, but we are not hearing about what is happening with the basic road maintenance and basic infrastructure repair to roads and bridges. So now the backlog and this disrepair is an urgent matter. Even without this GET money, are we maximizing what we can do moving forward?

Mr. Dill: Yes. As I mentioned and as was discussed earlier, typically, annually the Council appropriates one million two hundred thousand dollars (\$1,200,000) towards resurfacing projects, and we over the last few years, and I have got to say that when I came onboard, we have not resurfacing projects for five (5) years. So when it came onboard, we used that level of funding because those funds had been appropriated, so we got a project out the door in fairly short order and set up a program whereby we are regularly doing a local roads project and a collector roads project with the collector roads project leveraging county funds. We are doing what we can with available funding that we have, that this County can afford right now. This is an opportunity that I really see that we can get more funds in order to get a lot more work done, because we are falling further and further behind the curve with the allotment of funding that we are currently able to provide towards this.

Councilmember Kualii: With the last point about maximizing federal funds, I hope we are looking into what more we can get going forward with the recent passage of the Fixing America's Surface Transportation Act (FAST Act) and the federal transportation bill and how after many, many years of advocating for that, the counties have been able to get the Congress to pass a multiyear transportation bill that is dedicating more federal funds to roads and bridges, noting that all the counties have this backlog.

Mr. Dill: We are grateful for the Council's support of that. It is going to help all of us ultimately in the long run. We have been in touch with DOT that funding has to come from Federal Highways through DOT to us and they have to set up a program to tell us how that is going to work and how the moneys will get here. They are in the process of doing that, but they do not have that set up yet.

Councilmember Kualii: Thank you. That is it for now.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: Chair, I have a process question. I have a couple of friends in the audience waiting to testify on the Additional Dwelling Unit (ADU) communication. I gave them the assumption that we are going to discuss this GET item when the Bill came up. Therefore, I did not ask that we take that up and get them out of here because I do not think they are interested in listening to these two (2) hours or however much longer we are going. It is your call if you want to take their testimony.

Council Chair Rapozo: How many are here to testify on the ADU item?

Councilmember Kagawa: There is just Patty right now.

Council Chair Rapozo: What we will do is go to 10:30 a.m. for this item when we are up for the caption break. When we come back, we will recess this matter. Hopefully we can get done, but I do not think so. Then we can come back to the ADU public testimony and come back to this.

Councilmember Kagawa: Thank you, Chair.

Council Chair Rapozo: You are welcome.

Councilmember Kagawa: I just have one question. I think what is missing in this presentation is...because it seems like it is all about "to tax or not to tax"; "to raise more money or not to." Why are we here? Basically four (4) years ago, as Chair Furfaro always pointed out, our TAT got capped. How much are we losing per year? Thirteen million dollars (\$13,000,000)?

Mr. Shimonishi: If it was uncapped, that is the estimate that we probably think it would be.

Councilmember Kagawa: I do not know if I can give you a suggestion, but maybe a slide to include how much we have lost. When did that occur? Four (4) years ago?

Mr. Shimonishi: Correct. In our initial presentation, we had TAT information after the questions to show how much the TAT has risen, how the cap has remained the same, and ultimately how the percentages to the counties have decreased when you consider that as a whole to what you are mentioning. We thought we would keep GET just on GET and not...

Councilmember Kagawa: I think in order to garner support from the public and from this body, I think we have to continue to stress the point that the reason we are even considering the GET is because the TAT was capped four (4) years ago by the Legislature, basically just stealing the County's portion because they have the power to do so. We have lost thirteen million dollars (\$13,000,000) times four (4) years so far. Is that what we have lost already?

Mr. Shimonishi: That is an estimate, correct.

Councilmember Kagawa: So if you multiply that, that is fifty-two million dollars (\$52,000,000) that could have gone to roads, transportation, bridges, or buses.

Mr. Shimonishi: General Fund.

Councilmember Kagawa: It could have gone there. We lost out and now we have this proposal here to make up the gap. Is that what is happening?

Mr. Shimonishi: That is part of the issue, correct.

Councilmember Kagawa: If the State continues to cap us, it could be thirteen million dollars (\$13,000,000) times ten (10) more years of lost revenue, right?

Mr. Shimonishi: That would be a correct assumption.

Councilmember Kagawa: I think keeping that part in the presentation for me is valuable for the public to see, because what the public is going to want is, "Hey, you are going to tax me. Why? What is going to get done?" We are hearing possible expansion of bus routes, fixing bridges that are one hundred (100) plus years old, and...

Council Chair Rapozo: Is there a question in this?

Councilmember Kagawa: Yes. Are you okay with maybe including that back in?

Mr. Shimonishi: Yes, we can revise the presentation to include that.

Councilmember Kagawa: To include how much TAT we would be losing and how much we tend to lose in the future going forward as well if the cap remains. Thank you, Chair.

Council Chair Rapozo: Thank you. Councilmember Kaneshiro. I have a list here, so I am making sure everyone gets their time.

Councilmember Kaneshiro: My question is kind of a follow-up of Councilmember Kualii's questions. Regarding the bridges, I saw how badly damaged they were and I look at the schedule and I do not see bridgework coming on until like 2022. Do we have money available or a plan to be doing bridges more in the near future, coming up in 2016?

Mr. Dill: In the schedule we provided you this morning, there are a number of bridges that are accelerated earlier in the schedule. The 2023 you are looking at I think is on this spreadsheet, Councilmember Kaneshiro.

Councilmember Kaneshiro: Correct.

Mr. Dill: We took a fresh look at these because the Council requested more detail. So you see that we have federal aid bridges identified in the spreadsheet in 2022, but we also have many local road/bridges, so if you look at the non-federal aid bridges line item and actually combine that with the

new transportation initiatives and projects, there are a lot of bridge projects in there as well. As detailed in a different spreadsheet as provided, it is the one that is on the front, page 1 of 2, it says, "List of Bridge, Road, and Shared Use Path Projects Proposed for the First Three (3) Years (2018-2020) of General Excise and Use Tax Surcharge."

Councilmember Kaneshiro: I got it now. I did not see this bridges non-federal aid line item.

Mr. Dill: But then if you look at page 2 of 2, the list of bridge, road, and shared use, there are a number of specific bridges that we feel we prioritized in the first three (3) years. There are many projects listed there. That is this spreadsheet. At the top it says, "List of Bridge, Road, and Shared Use Path Projects Proposed," etcetera.

Councilmember Kaneshiro: Got it. Thanks. I have a more general question and this is under the assumption that if this GET passes and we do all of this roadwork, and after ten (10) years we do not have GET, what is our plan? For me, if you look at it we are spending one million two hundred thousand dollars (\$1,200,000) a year in roads and we are way behind, so for me I am kind of thinking that if this passes, you have all of these newer roads, so what is the ideal ongoing cost to us to keep the roads up, rather than say, "Hey, we did all the roads. We are not going to put any more money to it. It is going to deteriorate, then we are going to be in this situation again." I think we are in this situation because we kicked the can down the road long enough. If we do get this infusion of money and we fix all of these roads, what are we looking at in the future as far as, "Hey, this is the optimal amount of money that we are going to be spending on roads that will keep us going forever." It may be a lot higher than one million two hundred thousand dollars (\$1,200,000), say five million dollars (\$5,000,000), but this will maintain that we are going to be able to resurface the roads that we did, we are going to be able to overlay roads, and keep bridges up-to-date. I am sure you do not have that number now, but I will be interested also in the transition plan and what we have to look forward to after we do not have this money.

Mr. Dill: You are absolutely right; I do not have a number to share with you today on that. A lot of work that we are proposing to do is sort of one-time repair projects where we replace a bridge and that bridge should be good for the next fifty (50) years or what have you. What we are doing in the Department of Public Works is we are proposing a lot more preventive maintenance programs so that our roads will last longer. We are trying to work into our annual islandwide resurfacing slurry seal work on a regular basis. Generally speaking, what we want to do is after the road gets resurfaced, five (5) years later we go back and do the slurry seal. That will mean that we will get a longer service life out of that road without having to make a significant investment to overlay or reconstruct that road for a long time, so we will defer that cost and get more out of our roads. I do believe that ultimately we are going to have to commit greater than one million two hundred thousand dollars (\$1,200,000) a year to our islandwide resurfacing program, but again, I do not have a number for that right now.

Councilmember Kaneshiro: We are going to go through this probably three (3) more times at the public hearing, Committee Meeting, and second reading, but if you can try and put something together on this, I would appreciate it. Thanks.

Council Chair Rapozo: Councilmember Hooser.

Councilmember Hooser: I have a few more questions. There is no secret that I am in opposition to raising this tax. Everybody knows that. Thirteen million dollars (\$13,000,000)—we are doing this, as someone just said a few minutes ago, because the TAT was diverted thirteen million dollars (\$13,000,000) from our budget. I think Councilmember Kagawa made that very clear that that is why this is on the table. So we are asking residents to pay what visitors were paying before is what we are doing. Why are we not just charging the visitors these costs, instead of charging residents? We are losing visitor dollars and we are replacing those visitor dollars with resident dollars. There is something wrong with this picture. Why do we not raise property taxes or charge other fees or taxes to the visitor industry to replace this money, rather than charging residents when the money came out of the visitor bucket?

Council Chair Rapozo: Before you answer, you said that we are not charging the tourists for the money. The fact of the matter is we are. They are paying. The problem is that those funds are not coming to Kaua'i. They are paying their TAT.

Councilmember Hooser: Right.

Council Chair Rapozo: The problem is that we are capped, so we are not getting the ones that they are already paying.

Councilmember Hooser: Right.

Council Chair Rapozo: I just wanted to make sure. I hear you question.

Councilmember Hooser: The question remains. The money that was coming to us from the visitor industry is no longer coming to us from the visitor industry and we are replacing that money to a larger extent to a vast majority from local residents. Why is the plan to do that instead of just raising TAT's on the visitor industry and making them fill this room and making them talk to the Legislature about funding us properly instead of taking this money away from us?

Mr. Shimonishi: So just a couple of comments. Again, as Chair Rapozo said, the visitors are, in fact, paying their TAT, but as mentioned in the presentation, they also account for thirty percent (30%) to thirty-five percent (35%) of the GET, so we are collecting that from them with this increase. I think in addition, we know that hotels and resorts pay a much higher real property tax rate than the typical residents, significantly higher. There is that avenue as well and do we make a policy call to continue to push that real property tax rate higher on the

hotels and resorts? That is another avenue to look at. As far as the TAT, we will definitely be in support of the recommendation that is being made by the TAT group to increase the Counties' share of the revenue. I think there have been discussions with the Councils, as well as the Mayors, to really have that as a united front going forward.

Councilmember Hooser: Would that make this proposal go away? If the Legislature in its wisdom decided to give the thirteen million dollars (\$13,000,000) back to the County of Kaua'i, would this proposal to increase the GET be withdrawn?

Mr. Shimonishi: I do not see that happening. TAT is a General Fund source of revenue, whereas the GET is geared towards the highways, public roadways, and so on.

Councilmember Hooser: It seems like the information coming out is not clear then. On one hand, I am hearing that we are doing this because we lost the thirteen million dollars (\$13,000,000) and now I am hearing that we are doing this because we can and we need the money for transportation, regardless of the thirteen million dollars (\$13,000,000). That is what I am hearing, right? I am not here to give you a bad time. It is just that...

Mr. Shimonishi: I just will say that I do not believe the full thirteen million dollars (\$13,000,000) in TAT that we say we are losing would be applied completely to roads, highways, bridges, and transportation. Obviously, we have our own other General Fund needs to support going forward and the Council sees that every year, in terms of when it comes down to the budget and making the tough decisions on what we can or cannot do. Again, I think TAT and GET is somewhat separate. Part of that TAT could be used towards some road stuff, but to say that we will take that thirteen million dollars (\$13,000,000) and put it all towards the roads, I think, is unreasonable.

Councilmember Hooser: I have one final question and I apologize if it has been answered already, but the State will be taking a surcharge administrative fee out of this also, like they do the rail tax, and how much is that?

Mr. Shimonishi: Correct. The State's administrative fee is ten percent (10%) of the collections.

Councilmember Hooser: Okay, so that has been included in your spreadsheets in terms of estimating the revenue?

Mr. Shimonishi: Yes, this is net estimated revenue to the County of Kaua'i.

Councilmember Hooser: Okay. Thank you.

Council Chair Rapozo: Thank you. Before we start the cycle again, I just have a couple of questions. Actually, it is for Larry. I just noticed in your

spreadsheets that the fiscal year 2018 funding is basically only six (6) months because theirs is on the calendar and we are on the fiscal, so our fiscal year 2018 revenue from GET is only six (6) months.

Mr. Shimonishi: Correct.

Council Chair Rapozo: But I look at your positions' salaries on fiscal year 2018, for your two (2) engineering positions you have two hundred eight thousand dollars (\$208,000) and for your two (2) construction manager positions you have two hundred eight thousand dollars (\$208,000). I am assuming that is a mistake.

Mr. Dill: That is a full-year, so we are planning those for the full year because some of these projects require Federal Highways funding, so that means that there is work to be done in order to get those projects ready. So we would like to get those positions on a little earlier so that the by time we get to construction, we will be ready to go.

Council Chair Rapozo: Okay, so your plan is to utilize General Fund money to supplement...we are only getting six (6) months funding, right?

Mr. Dill: Right.

Council Chair Rapozo: So you will not be able to fund a full year of position?

Mr. Dill: No, we will. The numbers that are in there, if you look at the very top of that fiscal year 2018 column, it shows that the one-half percent (0.5%) will generate close to seven million eight hundred thousand dollars (\$7,800,000) in six (6) months.

Council Chair Rapozo: Okay.

Mr. Dill: So out of that seven million eight hundred thousand dollars (\$7,800,000)...actually, it is four hundred sixteen thousand dollars (\$416,000)...

Council Chair Rapozo: No, but our fiscal year starts in July. We do not get the check from the State until January...I do not know what it is, but let us just say from January. So you have six (6) months of position.

Mr. Dill: Yes.

Council Chair Rapozo: That is what I am asking. You will not have the State money, the GET money.

Mr. Dill: My assumption, which may be is incorrect, would be able to fund that money with General Fund moneys for the first six (6)

months of the year, and the recover it in the second six (6) months of the year with the GE revenue.

Council Chair Rapozo: Okay. I am not going to bring transportation up. It is similar with the maintenance manager, which looks like for the maintenance paratransit manager it is forty-six thousand dollars (\$46,000) for fiscal year 2018. I am assuming that is six (6) month funding because when you go to the Field Operation Supervisors, the fiscal year 2018 is forty-five thousand dollars (\$45,000) and fiscal year 2019 is ninety-two thousand dollars (\$92,000), so it doubles. My rationale was that, "Okay, six (6) month funding. We paid for a six (6) month position, and then the following year it doubles because now you have the full year." It is the two (2) top positions are constant, and then the third one doubles after the first year. I know the public has no idea what the heck I am talking about, but you folks do, so maybe if you can clarify that up and go back and take a look at that. I do not see how we are going to use the money that we have not gotten yet to pay for the salary of someone that is working for the County. I do not know how you are going to do that, unless you are going to reimburse the County, but I am not sure if that is allowable because the money does not come in until 2018.

Mr. Shimonishi: Right. What I gathered from talking with the folks on O'ahu was that the State would fund the GE tax or currently funds O'ahu on a quarterly basis, the month after the quarter. Chair, I understand what you are saying. If we only have six (6) months' of funding, how can we budget a full year's worth of positions? Currently, the way the Bill is structured is that we would put the GE tax revenue and these expenditures in the Highway Fund. To a certain degree, we would be leveraging Highway Funds in timing-wise, in terms of when the GE tax revenue actually comes in, but nonetheless we are only budgeting what is estimated to be received for that six (6) month period. We are not budgeting more than the six (6) month period of revenues.

Council Chair Rapozo: Then your position, instead of two hundred eight thousand dollars (\$208,000) would be four hundred sixteen thousand dollars (\$416,000).

Mr. Shimonishi: As Larry said, I think we could actually get the positions going earlier than the funding, realizing that we would get the funding by the end of the year, so we are using other Highway Funds to fund those positions sooner.

Council Chair Rapozo: Okay. I have another question and I am not sure who this is for, but the Hawai'i State Teachers Association (HSTA) is also proposing a one percent (1%) increase in the general excise tax. I am not even sure that the public even knows that. That is what they are proposing. Are you aware of that?

Mr. Shimonishi: Yes, I have seen that in the papers.

Council Chair Rapozo: It came out from HSTA that they are proposing the bill. I do not know what kind of traction it is getting. Are we tracking that at all as a county?

Mr. Shimonishi: I would have to verify that.

Council Chair Rapozo: I bring it up only because we have to be cognizant. As we sit here today talking about one-half percent (0.5%), we do not know what the Legislature is going to do. The one-half percent (0.5%) may be in addition to a one percent (1%) for some other use, and that is what I want to make sure we are cognizant of so that we know. I would appreciate if we can track that. I think we do as well in our office. That is all I have right now. Councilmember Yukimura.

Councilmember Yukimura: So just to be real clear about this, can TIGER grants be used for repaving, reconstruction, and bridge repair?

Mr. Dill: I am not sure if I follow the question. The TIGER grant that we currently have has a very specific scope of work associated with it.

Councilmember Yukimura: Just the TIGER grant...

Mr. Dill: You mean generally speaking?

Councilmember Yukimura: Everybody is saying, "Why are we not using this thirteen million dollars (\$13,000,000) for repaving and reconstruction?" It is my understanding that TIGER grants are not about that kind of regular maintenance and I just want to make that clear if that is, in fact, the case. So this is additional money for other purposes. It is not like we can use it, but that is my question. I do not know specifically if that is true.

Mr. Steinmetz: Hi again. I am Lee Steinmetz, Transportation Planner with the Planning Department. To answer your question, those types of projects would be eligible for a TIGER application, but would not be competitive in terms of receiving TIGER funds and Secretary Foxx, the Secretary of the United States Department of Transportation, made that really clear that TIGER funds are not intended to be used for backlog repair and maintenance projects, but for moving forward with the transportation system and creating a transportation system for the future.

Councilmember Yukimura: Okay. Thank you very much. On slide 21, if we could see that on the screen, you are taking out in one instance medical and housing costs to show the impact. How do we know that our lower income families are actually spending this on medical costs, and are all medical costs exempt? The cost of off the shelf whether it is bandages or that kind of thing, is that not taxable?

Mr. Shimonishi: Again, we just researched based on the study that is done by MIT. Obviously, for someone to ask me, "What do I spend," I could probably put that together, but I have no idea what other families spend.

Councilmember Yukimura: No, I do not want to know what you spend.

Mr. Shimonishi: Yes, so we are just trying to get a baseline of some numbers based on these assumptions, what might the typical expenses be? As far as medical, again based on the study, this is what they are saying could be expected in terms of the health insurance, physician services, prescription drugs, and supplies. The scenario I used was if these services were being rendered by a nonprofit provider such as Wilcox Memorial Hospital, Kaua'i Medical Clinic, or our State provider Kaua'i Veterans Memorial Hospital (KVMH) or Mahelona, then those costs are not subject to GET.

Councilmember Yukimura: Okay. You are proposing this as a representative example, suggesting that most families will only have to pay one hundred twenty-one dollars (\$121) a year, whatever that is. I am questioning whether it is a representative example. Even our Multimodal Land Transportation Plan shows that our household transportation costs are higher than the average costs on the mainland, and we all know that housing costs are higher than our average cost on the mainland so that we are paying a greater percentage of our income for housing and transportation. Already, there is a distortion in the average income of our families here, and that is why I am questioning the assumptions behind this because if it is not really reflective of the situation, then we should not even look at this.

Mr. Shimonishi: I would be more than open to getting some other way of doing the analysis on typical Kaua'i family expenditures. Again, we are just looking at a study done by MIT, which I think are pretty smart people. If the Council or somebody else has some other study that we will say otherwise, then by all means...

Councilmember Yukimura: Sorry, the burden of proof is on you putting this forth, but maybe Child & Family Services and some of the agencies that work with these families can give us a better idea of how our families will be impacted.

Mr. Shimonishi: Okay.

Council Chair Rapozo: I have a quick follow-up. The MIT study is what you referenced?

Mr. Shimonishi: Correct.

Council Chair Rapozo: That was not done for Hawai'i, right?

Mr. Shimonishi: It is done by county.

Council Chair Rapozo: So this is for Kaua'i?

Mr. Shimonishi: Yes.

Council Chair Rapozo: Okay. Councilmember Kuali'i.

Councilmember Kuali'i: My next question has to do with slide number 8 with regards to the seventeen million dollar (\$17,000,000) centralized vehicle and equipment repair shop. I want to know if this is a critical infrastructure need and as of when, and what is our other sources of funding for dealing with addressing that need? Obviously with our vehicles and facilities, we forecast out how long it is good for and when it needs repairs, expansion, or what have you. What are our other options as far as funding to address a critical need if we have a critical need for building this repair shop?

Mr. Dill: As far as critical infrastructure need is concerned, I can tell you right now that we are using this facility to maintain our fleet, as identified there. But because we do not have space on that site currently to store the vehicles, that the vehicles waiting to be serviced are at various locations around the island, treatment plants, at baseyards, or wherever they happen to be. They are being stored in the weather, uncovered, and waiting to be taking on for service. There is a cost to that and I do not have what that number actually is, but there is a cost to delaying maintenance on vehicles, which results in having to replace them more often and increases our repair cost. It is on one of the slides or on one of the spreadsheets.

Councilmember Kuali'i: The next slide?

Mr. Dill: Bear with me for a moment. To clarify a little bit on this slide, the third line item there is the new consolidated automotive shop and the far right column shows sixteen million eight hundred thousand dollars (\$16,800,000) or roughly seventeen million dollars (\$17,000,000) is the cost. We would be projecting that we would fund out of that seventeen million dollars (\$17,000,000), ten million one hundred thousand dollars (\$10,100,000) with the GET, and we came up with that number based on Highway Fund related costs because the GET, as we know, is for Highway Fund type of work. The amount of repair work associated with the Highway Fund sorts of vehicles is represented in that ratio. That is why we show that the remainder, the six million seven hundred thousand dollars (\$6,700,000) would be funded through some other means and that is under the County/bond. We would be seeking either a bond float or part of the bond float would be dedicated towards the auto shop.

Councilmember Kuali'i: So a bond float Capital Improvement Projects (CIP), ultimately if we did not have the ten million dollars (\$10,000,000) from the GET, you would package it together according to need to get the seventeen million dollar (\$17,000,000) project done.

Mr. Dill: Correct.

Councilmember Kualii: So you have other potential options for funding based on...are you planning that to happen early on in the GET funding?

Mr. Dill: Yes, referring to yet another spreadsheet.

Councilmember Kualii: Within the first couple of years?

Mr. Dill: Yes. Going back to the spreadsheet that looks like this and says, "Roads Without General Fund Recovery." If you look at the item descriptions in the left hand column, you will find the auto shop just about halfway down the page.

Councilmember Kualii: Yes.

Mr. Dill: It shows that the distribution of funds is over fiscal year 2018, 2019, 2020, and 2021.

Councilmember Kualii: Okay. My last question has to do with along the same lines with the public transportation. We are talking about one million eight hundred thousand dollars (\$1,800,000) for satellite baseyards; sixteen million three hundred thousand dollars (\$16,300,000) for fleet repair expansion; administration facility for five hundred thousand dollars (\$500,000); and service operation expansion of forty-five million one hundred thousand dollars (\$45,100,000). On the sixteen million three hundred thousand dollars (\$16,300,000), that has been done in the past primarily with federal funds. If we were to use GET moneys for that, that could help us in the ten (10) year period, but what would we do after that and how are we going to sustain it? I would imagine that the equipment has to be replaced periodically.

Ms. Mahikoa: Celia Mahikoa, Transportation Agency. That is a true statement as far as ensuring that our asset management plans are planning out the needed expenditures in the future, so we would need to be at the same time as we constantly are seeking additional funding sources. Occasionally, we see opportunities come up through the Federal Transit Administration or other federal sources, and would need to identify other alternatives if those are not available at that time.

Councilmember Kualii: For the set one million eight hundred thousand dollars (\$1,800,000) for baseyards, is that a critical infrastructure need? What is the other source of funding that could deal with that? Is it the same as CIP bond float? There are other options and you are only talking about one million eight hundred thousand dollars (\$1,800,000) for two (2) baseyards.

Ms. Mahikoa: Yes. That is very much just a general estimate. We are hoping that it would not even be that much if we are able to work out cooperative agreements with other entities on the island, being able to identify locations that we would not involve a large purchase amount. Typically, there would not be too much construction or infrastructure needed in that type of location.

Councilmember Kualii: So if the fleet replacement is showing the sixteen million three hundred thousand dollars (\$16,300,000), what primarily makes up the forty-five million one hundred thousand dollars (\$45,100,000)? Is that primarily additional drivers? Is it labor? Is it any additional facilities of any kind?

Ms. Mahikoa: The forty-five million dollars (\$45,000,000) that you are referencing to is for the overall expansion of transit service. Is that correct?

Councilmember Kualii: Service operation expansion.

Ms. Mahikoa: Yes.

Councilmember Kualii: Is that separate from the sixteen million three hundred thousand dollar (\$16,300,000) expansion fleet expansion?

Ms. Mahikoa: That is correct. The bulk of the expense in providing public transit comes from payroll expense, the operators operating the vehicles, dispatching, and repairing.

Councilmember Kualii: Do you know what percent of the forty-five million dollars (\$45,000,000)? That is over ten (10) years.

Ms. Mahikoa: Forty-five million dollars (\$45,000,000) for labor?

Councilmember Kualii: Yes, payroll.

Ms. Mahikoa: You are probably looking at...this is a general estimate, but you are probably looking at about fifty percent (50%) to sixty percent (60%) of that and the other significant items would be the fuel and repair costs.

Councilmember Kualii: Fuel and repair. Along the same lines with that other question, the last part, is that we have this GET over ten (10) years, but after that we have a problem if we do not have another source of funding to sustain it.

Ms. Mahikoa: Yes, unfortunately.

Councilmember Kualii: Okay. Thank you.

Council Chair Rapozo: Do you have a short question? We have to take a caption break.

Councilmember Kagawa: I can do it in maybe five (5) minutes.

Council Chair Rapozo: Okay, we will take the caption break. We will do the ADU so that we can take the public testimony when we get back from the caption break and will return to this item.

There being no objections, the meeting recessed at 10:33 a.m.

The meeting reconvened at 10:44 a.m., and proceeded as follows:

Council Chair Rapozo: The meeting is called back to order. At this time, can you read C 2015-313?

Ms. Fountain-Tanigawa: Chair, this is on page number 3.

There being no objections, C 2015-313 was taken out of order.

C 2015-313 Communication (11/30/2015) from the Planning Director, transmitting the Planning Commission's recommendation regarding Proposed Draft Bill (No. 2601), which amends Subsection 8-15.1(d), Kaua'i County Code 1987, as amended, relating to Additional Dwelling Units on Other Than Residentially Zoned Lots, to eliminate the lapse of the special fund created to deposit revenues from the recertification process conducted between December 2014 to February 2015, and also eliminate the ten-year build out requirement for the Additional Dwelling Unit by striking language restricting issuance of building permits past December 15, 2024: Councilmember Kagawa moved to receive C 2015-313 for the record, seconded by Councilmember Kualii.

Council Chair Rapozo: For this item, can we just take the public testimony for now? Afterwards, we will go back to the other item. At this point, we will suspend the rules with no objections. May I have the first speaker?

Ms. Fountain-Tanigawa: The first speaker is Patricia Lyons.

Council Chair Rapozo: Patricia, thank you for your patience. I appreciate that.

Councilmember Kagawa: Chair, I have a process question.

Council Chair Rapozo: Sure.

Councilmember Kagawa: The Planning Director asked if he should come and I told him that since this is only first reading that perhaps we could get into detail during the Committee Meeting. So if you folks want to go into an in-depth discussion on first reading, then we would have to call him because I told him my opinion.

Council Chair Rapozo: Okay. If Councilmembers want, we can have him here when we do the Bill. The Bill will be up later today. This is just the Communication, so we can address that when we get to the Bill if it is still before midnight. Thank you.

There being no objections, the rules were suspended.

PATRICIA LYONS: Patricia Lyons is my name and I would like to thank you for all of your service and wish you a happy holidays. I am here in hope that there would be no time limit on building the additional dwelling units. As I told you all before, my dad purchased a property in 1967, which was about forty-eight (48) years ago in hope that we could live on the land and continue farming. I hope my dad's dreams can become a reality with your help. My nephews were adopted by my parents and want to build, but it is very expensive and they need time to save. I am not sure that the current time limit is enough. We all really work hard farming and deserve a chance to build and live on our farmland. My family and I really appreciate your time and consideration on this matter. I would just like to thank all of you so much for listening and taking this into consideration. Thank you very much.

Council Chair Rapozo: Again, thank you for your patience.

Ms. Lyons: Thank you.

Council Chair Rapozo: Next speaker. Please state your name for the captioner and you may proceed.

CHRISTOPHER HAYDEN: My name is Christopher Hayden. Chair Rapozo and Councilmembers, I would like to thank you on behalf of myself, my family, and all of those people who have the ADU recertification and have paid the fees. I would like to thank you very much for considering looking at this new proposal that Councilmember Kagawa has presented and to make permanent ADU for agricultural and open lands. Any questions? Thank you. Happy holidays.

Council Chair Rapozo: Thank you very much.

Councilmember Kagawa: Chair, can we clarify for Mr. Hayden and Ms. Lyons as to when the Committee Meeting will be on the agenda for this item? That would be some good direction for them as to when they can tell other people as well who want to testify and submit testimony via E-mail or what have you.

Council Chair Rapozo: The public hearing will be on January 27th, so you have an opportunity to testify at that point. It will be at 1:30 p.m. It will go to the Planning Committee on February 3rd.

Mr. Hayden: What about Planning?

Council Chair Rapozo: No, Planning is done. It comes to us and we are done.

Mr. Hayden: What did you say about February?

Council Chair Rapozo: January 27th at 1:30 p.m. is the public hearing, and then February 3rd is the Committee Meeting, which will start at 8:30 a.m. I am not sure where it is going to be on the agenda at this point, but we will have a better idea when we get closer to the meeting.

Mr. Hayden: Okay. Thank you very much.

Council Chair Rapozo: Thank you. Anyone else wishing to testify?

Mr. Mickens: For the record, Glenn Mickens. I just want to say that I totally support Proposed Draft Bill (No. 2601) and see no reason to sunset the ADU building restrictions to ten (10) years. We badly need low rental units and if that is going to be the reason for somebody building an ADU, which it may be, we need all the help we can get. Whoever is going to do it, whether it is he or she, they should be able to do that building. Thank you.

Council Chair Rapozo: Thank you. Anyone else wishing to testify?

MATTHEW BERNABE: Matthew Bernabe. So the way I read this, this is for additional dwelling units on agricultural lots, not residential lots. I do not know if I can ask a clarifying question.

Council Chair Rapozo: I will respond afterwards.

Mr. Bernabe: Okay, because if it is with agricultural lots like Ms. Lyons testified earlier, last night at the Governor's meeting at Kaua'i Community College (KCC), I heard him talking about opening up funds for agricultural activity. So if this is true agricultural activity, maybe there is a resource and the County could get that person's number from the north shore. He said the name, but I could not write it down because I did not have a pen. I heard him say that part of their plan on the agricultural side of this was to make loans available because we all know it is hard to get loans from a bank if your land is zoned in agriculture for expansion and infrastructure. I just wanted to throw that out. Maybe can you get the link and the facts because I do not actually know all of the facts, I just heard him say it briefly last night. Those are some options to look into. Thank you.

Council Chair Rapozo: Thank you. Again, just for the public's information, this will only apply to those who currently hold the recertification permit. These are the ones that were entitled years ago for an ADU and when we stopped it, the people that had existing permits to do an ADU, this just extends the time so they can finish the project, but no new applications will be accepted. Councilmember Yukimura.

Councilmember Yukimura: First of all, thank you to the people who have testified, but I also want to say that I am looking at introducing the old rule we used to have, which would allow people to testify at the beginning of our meetings on any subject. I got that cleared from the Office of Information Practices (OIP), so

that might help in Councilmember Kagawa's case so that people could speak upfront. Thank you.

Council Chair Rapozo: Anyone else wishing to testify? Let me just say that if I had been made aware that you wanted to speak, I would have made that concession or accommodation. I did not know until Councilmember Kagawa brought it up, so the rule is not the issue here. It is really the Chair has never denied anyone the opportunity to speak prior to the meeting starting, so I do not think we need a rule change. I just need to know so we can make that accommodation. Thank you. With that, the meeting is called back to order. We are going to recess this item and go back to the GET Communication. Thank you.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: I have a question.

Council Chair Rapozo: As far as the ADU? Was there going to be any more discussion on the ADU? If not, let us go back to the ADU.

The motion to receive C 2015-313 for the record, was then put, and unanimously carried.

Council Chair Rapozo: Now we are back to C 2015-311. On my list, Councilmember Kagawa has the next question.

Councilmember Kagawa: Yes, I have one.

Council Chair Rapozo: Okay. Who was that for?

Councilmember Kagawa: It is for the Department of Public Works and Mr. Shimonishi.

Council Chair Rapozo: Okay. The rules are suspended with no objections.

Councilmember Kagawa: Do we have names of those bridges that we are looking at or is that just one (1) bridge? Mauna Kea, stop us if we should not be saying what bridge that is.

Council Chair Rapozo: Why would we not be able to identify the bridge?

Councilmember Kagawa: My thinking is that if we was trying to sell to the public that bridges and roads are in really bad shape and we need these moneys, I think a presentation should have names of where these pictures are because we have our residents driving over these bridges and we want to let our residents know that we need to possibly raise the GET one-half percent (0.5%) because you are in danger.

There being no objections, the rules were suspended.

MAUNA KEA TRASK, County Attorney: *Aloha.* For the record, Mauna Kea Trask, County Attorney. These are bridges on Kaua'i.

Councilmember Kagawa: Can we put names?

Mr. Trask: I do not see why not. I do not know what the legal confidentiality or anything like that would be.

Council Chair Rapozo: I think the liability comes when you hide it from the public. If you do not tell the people where it is dangerous and we know and we are hiding it, then that is even worse.

Councilmember Kagawa: Okay.

Councilmember Hooser: I have a clarifying question.

Council Chair Rapozo: Okay.

Councilmember Hooser: I am assuming that if any of these bridges were too dangerous to cross then the County would have them closed and would not let people drive across them today.

Mr. Trask: As a landowner, the County has a normal premises liability, a duty to warn if reasonable, and if you have notice, etcetera. I guess within a supreme qualification, if at any time this discussion does become problematic, I would appreciate you allowing me to step in and address that.

Council Chair Rapozo: That is always the case if we are going down that road, but the question was very simple. What bridges are those and what is the cost to each bridge?

Mr. Dill: For the record, Larry Dill, County Engineer. The pictures you see up there are pictures taken from our biennial bridge inspection reports. We are required for our federal aid bridges, of which we have twenty-five (25), to do these inspections every two (2) years and give them a rating. As you can see from the pictures, there are some serious issues associated with these bridges, but it does not necessarily mean that they are unsafe to cross. They are all safe to cross, but they all need some repair work. I am not sure actually which of these bridges are, so I will ask the Chief of the Engineering Division to do what he can to identify these bridges in particular.

Councilmember Kagawa: It could be at a later date.

Council Chair Rapozo: If right now you had to say what the top priority bridge is, which one bridge is in the worse shape and how much of the twenty-four million dollars (\$24,000,000) are we expecting to spend on that bridge?

MICHAEL MOULE, Chief of the Engineering Division: To state one thing, there are two (2) bridges that we plan to replace prior to using GET funds, and one of them is the Pu'u'ōpae Bridge, which happens to be the one on the bottom right in this image; the one that was just crashed into last week and we fixed it in two (2) days to get it open again. The one on the bottom left is the 'Anini Bridge, one of the 'Anini bridges; 'Anini Bridge number 2. It is a box culvert and that one we are showing proposing to be replaced in the 2018 list that was provided to you this morning. The other one is going to be replaced prior to GE tax funding potentially, which would be Kapahi Bridge.

Council Chair Rapozo: Councilmember Kagawa's question was very specific, how do we tell the people...we are going to tell the people, "We are going to raise your GET to fix these bridges." Which bridges are on the list to be fixed?

Mr. Moule: The ones we fix with GE tax in the next three (3) years is the 'Ōpaeka'a Bridge, the iron bridge on 'Ōpaeka'a Road.

Mr. Dill: What Michael is looking at was provided to you this morning. It is one of the handouts, page 2 of 2.

Mr. Moule: 'Anini Bridge number 2, which is the one in the lower left in that picture there, and then the Kōloa Bridge, which is the one in Kōloa Town where I believe Waikomo Stream runs beneath it. Those are the three (3) federal aid bridges that we showed to be replaced in this list. There are also a few non-federal aid bridges that we are showing here, a wooden bridge on Waha Road, and also talking about replacing the swinging bridges, the one in Hanapēpē first before GE tax and the other two (2) with the GE tax, Waimea Swinging Bridge and the Keapana Swinging Bridge in those first three (3) years.

Councilmember Kagawa: Is the old Hanapēpē regular bridge also a high priority?

Mr. Moule: It is in the ten (10) year list. The list we gave to you last week showed sort of the...I should not say the ten (10) year list, the total list of bridges and I think it included a date that was in the next ten (10) years for that bridge. That bridge is going through some repair work in the very near future that will repair some spalling concrete so that you do not have these exposed rebar like the one shown in the upper left there. One thing I should add to this whole conversation is that, as Mr. Dill said, the bridges are safe to cross, but through this process we have done load rating where we identified that some of them have lower weight limits, so that is how we make sure that they remain safe to cross by not carrying heavy loads over them. That is one of the other reasons to replace these bridges as soon as we can from a reasonable point of view and get them back up to where they can carry heavier loads because we have many bridges on the island now posted for lower weight limits.

Councilmember Kagawa: If a family goes over one of the bridges that are in bad shape like 'Anini, and the bridge collapses and they die, is the County liable?

Mr. Dill: I think that is a question for the County Attorney, but I assume that we would receive a lawsuit.

Councilmember Kagawa: That is why I am concerned. The bridges are our lifeline to connect from going from one side of the stream to the other side of the stream. I am just really concerned and I want us to take care of the ones that are in bad shape.

Mr. Moule: We are concerned, too, but I will point out that not every bridge failure is catastrophic. Some of these are box culverts where what you see would be a slump in the road as opposed to literally a car falling in, so just from that point of view. That is part of the priority. The ones that are critical are the ones that are going to be replaced sooner and if something were to break, it would be a slump that we would have to shore up for example.

Councilmember Kagawa: I just want to point out that also sometimes we pay our heavy lawsuits even when they do not die, like if they are permanently injured. Either way, it is better to fix it.

Mr. Moule: I agree. We frontloaded this with a lot of bridge work because we agree with you on that.

Councilmember Kagawa: I appreciate it. Thank you.

Council Chair Rapozo: Thank you. Any other questions?
Councilmember Kualii'i.

Councilmember Kualii'i: In your spreadsheet with regards to these bridges, there is a column that says federal funds for those that are eligible or eighty percent (80%) and twenty percent/eighty percent (20%/80%) match. So for the total cost line item, is that the GET funding? Which proportion is relying on the GET funding? All of it?

Mr. Moule: On the spreadsheet you are looking at, the highlighted...

Councilmember Kualii'i: Page 2 of 2, the ones that you were just talking about.

Mr. Moule: The highlighted portion in red there is...so County funds are needed. We probably should have labeled that "Proposed GE Tax Funds."

Councilmember Kualii'i: So new GET funds?

Mr. Moule: Yes.

Councilmember Kualii: Okay.

Mr. Moule: So the total cost to do the project, replace the bridge, or do whatever project is on the list, the federal funds show up as the eighty percent (80%) match and sometimes it is set aside for the project.

Councilmember Kualii: Yes, what is that? There are four hundred thousand dollars (\$400,000) set aside.

Mr. Moule: In that case, that is for the Po'ipū multimodal improvements.

Councilmember Kualii: Where is that money coming from?

Mr. Moule: That money came from developers as part of some of their developments.

Councilmember Kualii: So it is in a special fund?

Mr. Moule: Yes, it is being held for that purpose.

Councilmember Kualii: What is the fund called again?

Mr. Moule: I do not know the actual names. I am sorry.

Councilmember Kualii: That is okay.

Mr. Moule: It has been discussed here...probably about two (2) to three (3) months ago.

Mr. Dill: That is the community facilities district that was setup on the south side.

Councilmember Kualii: Right. Okay. Thank you.

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: This came up during the break, but I just wanted to make this request from the community. On slide number 21, the GE tax surcharge impact, if there was an example of more than one (1) child, I think the request was that...while many families have one (1) child, many families have more than one (1), so if we could have a clearer estimate on that, families with more than one (1) child.

Mr. Shimonishi: Yes, the initial draft of the presentation included the various family compositions: one (1) adult, one (1) child; and one (1) adult, two (2) children. I think each scenario goes up to two (2) children, but just for

purposes of trying to condense the presentation and not get it too busy, we elected to just do one (1) adult or two (2) adults and one (1) child. If you Google this "Living Wage Kaua'i," it will come up and you can see the various different family compositions that are on there.

Councilmember Chock: Thank you.

Council Chair Rapozo: Councilmember Kualii.

Councilmember Kualii: Back to the spreadsheet, where is the column that shows the existing County highway funds? Is that not included in the spreadsheet? Is other work being done? Currently, without the GET, we have two million dollars (\$2,000,000) of local roads resurfacing, County Highway Fund.

Mr. Dill: If I could refer you back to this spreadsheet, it is titled "Roads Without General Fund Recovery."

Councilmember Kualii: So not a penny of that is used for bridges, it is all on the other spreadsheet on roads?

Mr. Dill: Let me go through this real fast.

Councilmember Kualii: Okay.

Mr. Dill: At the very top line...

Councilmember Kualii: Is this page number 1?

Mr. Dill: There is no page number on this spreadsheet, but on the second page. The very top line shows the projected, entire General Fund revenues at one-half percent (0.5%) to be allocated based on the seventy-five percent (75%) County funding for roadways. This sheet generally breaks down how all those costs would be anticipated to be spent. The first subtotal, which is highlighted in yellow, says "Total County Roads Resurfaced and Reconstructed." Do you see that line item? If you go all the way to the right, it totals over the ten (10) years, one hundred five million dollars (\$105,000,000), so you may recall that. We have always talked about generally speaking we have a little over one hundred million dollars (\$100,000,000) on "backlog." All of this work for ten (10) years is for resurfacing our local roads and our collector works. You will note that we have some federal highways funding projected built in there to do the eighty percent/twenty percent (80%/20%) match with the collector roads. The next line item is Highways Equipment. Highways Equipment is shown based on our current equipment because we do replacement based on projected retirement of that equipment based on age, use, and conditions. So based on our existing asset list, this is what we project over those ten (10) years for replacement of our highway equipment, and that totals over the ten (10) years on the far right, twelve million five hundred thousand dollars (\$12,500,000). You can see the note. That is based on our replacement schedule. The next two (2) line items are the four (4) positions we have been discussing. After that is the auto shop. After that, we get into the

bridges and we have that broken down into our federal aid bridges and non-federal aid bridges. After that would be new or other transportation initiatives and projects. Under the new transportation initiatives, projects, and bridges totaled, you can see that we highlighted the numbers red in there and the total for those three (3) years is fifteen million one hundred thousand dollars (\$15,100,000). If you take a look back at this spreadsheet that we were looking at a moment ago, the bottom number in the highlighted column is the fifteen million one hundred thousand dollars (\$15,100,000). This is detailed for the projects we are projecting in the first few years. Are you following?

Councilmember Kualii: My basic question is, is this showing all the new GET revenue?

Mr. Dill: Yes.

Councilmember Kualii: All forecasted out?

Mr. Dill: This spreadsheet, yes.

Councilmember Kualii: What about the existing two million dollars (\$2,000,000) per year? Where is that being spent? If we did not get the GET, all we would be able to do is continue on the track of two million dollars (\$2,000,000) per year.

Mr. Dill: One million two hundred thousand dollars (\$1,200,000) per year, yes. Two million four hundred thousand dollars (\$2,400,000) every other year.

Councilmember Kualii: In your slide number 6...I see biennially.

Mr. Dill: Yes.

Councilmember Kualii: So two million dollars (\$2,000,000) in local roads over two (2) years.

Mr. Dill: Correct.

Councilmember Kualii: County Highway Fund...I do not see that one million two hundred thousand dollars (\$1,200,000) or two million dollars (\$2,000,000) over two (2) years in this spreadsheet.

Mr. Shimonishi: Correct. The assumption is that we would use the GE tax surcharge to fully fund the road work. The one million two hundred thousand dollars (\$1,200,000) in last week's presentation was addressed as a potential way of alleviating some of the General Fund by moving some transportation costs into the Highway Fund and now using that one million two hundred thousand dollars (\$1,200,000) to cover some transportation costs. Or do we get disciplined and try to think about a road reserve or bridge reserve or what have you?

Councilmember Kuali'i: Yes, we do that. Thank you.

Council Chair Rapozo: Continuing on, the New Transportation Initiatives projects, what was that again, the eighty-eight million dollars (\$88,000,000) over the ten (10)-year period?

Mr. Dill: As I mentioned, the detail for the first three (3) years is given in this other spreadsheet.

Council Chair Rapozo: Right.

Mr. Dill: But there are many other projects out there that are on the radar. You may recall at the last presentation at the Council, we showed basically anything and everything from all the community plans, multimodal plan, and the transportation plan—the total for that project came to in the neighborhood of six hundred million dollars (\$600,000,000). So for today's meeting, we prioritized the first three (3) years to identify what we consider to be the priorities out of that six hundred million dollars (\$600,000,000).

Council Chair Rapozo: Okay. I think if not all of the projects are basically reconstructing or fixing. Is there anything going forward to deal with the congestion? I am not talking about the transportation component, I am talking about roads, to build new roads to alleviate congestion for the Kapa'a bound or Lihu'e bound traffic, and from the west side.

Mr. Dill: I do not think we have any in the first few years because we have been focusing on issues where there are deferred maintenance issues to be addressed. In the last seven (7) and included in that large pot of six hundred million dollars (\$600,000,000) worth of projects, yes; we have some new roads proposed that would help alleviate those issues.

Council Chair Rapozo: We know the State has basically said that the *mauka* bypass is done, they are not looking at that, and they will not be looking at that. Mr. Sniffen said that right here.

Mr. Dill: Just to clarify, are you talking about the Kapa'a relief road?

Council Chair Rapozo: Yes, the major road that they were once talking about for many years.

Mr. Dill: Right.

Council Chair Rapozo: He said that is off the books now because we just cannot afford it.

Mr. Dill: Right.

Council Chair Rapozo: I believe that is a problem. It is my opinion. I think the congestion that we have is of serious concern. If you are coming in from the west side, that is even worse than coming in from Kapa'a. There is no doubt in my mind. What are we looking at as far as the west side traffic?

Mr. Dill: On the west side?

Council Chair Rapozo: Well, both.

Mr. Dill: On the east side, I believe we said all of this the last time, but to confirm, we are looking at the congestion, but also we have a resiliency measure going further *mauka* around by the Wailua Reservoir, and then connecting over to Mā'alo Road to provide another connection between Līhu'e and Wailua/Kapa'a area. That is one thing that is in our bigger list of projects.

Council Chair Rapozo: Is that in this...

Mr. Dill: It is not in the first three (3) years.

Council Chair Rapozo: Okay. Anything for the west side in the next ten (10) years?

Mr. Moule: Michael Moule, Chief of the Engineering Division. I think a couple of points that need to be made first is that much of the regional traffic issues are more the responsibility of the State.

Council Chair Rapozo: I do not want to hear that. I want to know what we are looking at.

Mr. Moule: But...

Council Chair Rapozo: Hang on, because I am tired of hearing that. It is a real simple yes or no; does this plan cover any relief measure for the congestion on the west side?

Mr. Moule: The three (3) year...

Council Chair Rapozo: Not the three (3) year, the ten (10) year. If so, what it is? That is all I want to know. I do not want to hear about the State because we already heard from the State.

Mr. Moule: Yes.

Council Chair Rapozo: If you are going to take that position, then forget it. We just tell the people sorry. Is there an opportunity for us to work with roadways, plantation roadways, cane roadways, and whatever is out there to give some relief to the west side residents? Is there something and are we looking at it?

Mr. Moule: I will start by saying that no decisions have been made at all on which project would be funded first. We are proposing a potential list for the first three (3) years and in the larger list that we gave you last week at the Committee Meeting, we listed all of the projects that are listed in every planning document, including for example, the federal aid highway transportation plan. One of the projects listed in the federal aid highway transportation plan that we did list in this list...again, no decision was made on whether it is going to be funded five (5) years from now, ten (10) years from now, or twenty (20) years from now. For example, there is a project listed in there for the south side connector between Port Allen and Po'ipū along the old cane haul road. That is one example that will relieve congestion on the west side. Similarly, there are projects that we are looking at in the east side. You are just asking about the west side, so that is one example. There are other west side projects. That is the primary one for the west side that is listed.

Mr. Dill: I would add that the Līhu'e *mauka* road is in there, right?

Council Chair Rapozo: The what?

Mr. Moule: Yes.

Mr. Dill: That does help traffic coming in from the west side...

Council Chair Rapozo: I know, but the Līhu'e what road?

Mr. Dill: The Līhu'e *mauka* road.

Mr. Moule: It is a potential road on the cane haul roads that are *mauka* of Līhu'e Town, Puhi, and Hanamā'ulu. Again, those are all listed in this, but we have not proposed time frames for any of the congestion projects, except in this three (3) year list, we are showing Eggerking Road extension here, which is an east side project in the third of the three (3) years as a potential addition to what the State is doing on the east side to relieve the congestion there. We will connect Eggerking Road to Wailua Houselots...

Council Chair Rapozo: I know because we talked about that. I think that will help a little bit, but my concern is when you are coming from Kapa'a/Anahola and you hit the Wailua to Kapa'a traffic. It moves slowly, but it moves. On the west side, you are stuck. God forbid a major accident...it is just over...we have not even considered any kind of options for that side of the island. I think when you look at the possibility of two hundred fifty-five million dollars (\$255,000,000) over ten (10) years, I think that is an opportunity where we can. State, if you do not want to participate, then that is fine. That is still our constituents. It is not the State's constituents; it is our constituents. Anyway, are there any more questions as it relates to this presentation? Councilmember Hooser.

Councilmember Hooser: Just to restate, the funds would come in 2018 and all of these projects extend out from there. Is that correct?

Mr. Dill: Yes.

Councilmember Hooser: For the record, many of us will not be here necessarily at that point. We will have, without question a new Administration. We may possibly have new directors and new councilmembers. All of this good thinking and good planning, and I appreciate the work that has gone into it, could all very well be changed by the next Administration, depending on the circumstances as it comes in. That is an accurate statement, right?

Mr. Dill: Yes.

Councilmember Hooser: Okay. Thank you.

Council Chair Rapozo: I am not sure, but this came out of The Garden Island a few days ago and it talked about taking another look at taxes. I am just going to read this paragraph because it is not quoted, so I am not sure if it was said or if The Garden Island just wrote this as how they received the information. They talk about the split that ninety-three million dollars (\$93,000,000) would go to new transportation projects, but there is a paragraph in here, and I want to know very simply if this is the intent of the Administration. The money would be able to be used on the County's Multimodal Plan, which is aimed towards shifting the main mode of transportation from single-occupant cars to walking, cycling, and public transit. Is that the direction that the Administration is going for? In other words, going forward ten (10) years, is that going to be the desire of this Administration or the next Administration that that is their goal, to get people out of cars and put them on the road, on bicycles, or on the bus? Is that the mentality going forward here?

Mr. Dill: That is "a" goal, yes.

Council Chair Rapozo: Is that "the" goal?

Mr. Dill: When you ask is that "the" goal, is that the goal of the implementation of the GE or...

Council Chair Rapozo: If that is the goal, then I can understand why we are not looking for projects that are going to improve congestion for the people in cars. Yet, they pay taxes, too, and they use the roads. I am saying have we basically refocused our direction now and say, "That is the goal." I am reading this and whether or not this is what was said, I do not know. "It is aimed towards shifting the main mode of transportation from single-occupant cars to walking, cycling, and public transit." Is that the goal of the Administration? Ask somebody who has the authority to answer. That is all I want to know.

Mr. Dill: Okay. I will say that I think that...

Council Chair Rapozo: It does not matter, but I want to make sure you are speaking for the Administration, not the Planning Department or the Department of Parks and Recreation. That is important to me.

Mr. Dill: Okay, let me start. Chair, I think it is clear that it is the goal of the Administration to repair a lot of the roads and take care of the deferred maintenance that exists in our roadways and bridges.

Council Chair Rapozo: But that would be true whether or not we get GET money.

Mr. Dill: Right.

Council Chair Rapozo: That is our job, right?

Mr. Dill: Yes.

Council Chair Rapozo: We have to fix roads and bridges...we have to.

Mr. Dill: Yes. That has not changed.

Council Chair Rapozo: Right. My concern is the use of this two hundred fifty-five million dollars (\$255,000,000) for the next ten (10) years.

Mr. Steinmetz: Hello again, Lee Steinmetz, Transportation Planner. I appreciate that question. One of the slides that we showed earlier was this distribution and I think it is important to realize that all of these things are related. Absolutely, it is the goal of the Administration to address congestion and we are working with our partners at DOT. I just wanted to clarify something that was said earlier related to that, that on the east side, while the Kapa'a relief route is no longer being pursued, there are other things that DOT is doing with their funds to address congestion, including widening of the existing highway and making the temporary bypass, two (2) lanes all the way through. So there are several projects that have been identified and are being funded to address congestion. We are then looking at our County funds to look at what we can do to supplement what the State is doing in terms of addressing congestion and also improving connectivity to our neighborhoods. So that is an example of the Eggerking Road project that does a couple of things that does address congestion, but it also gives people who live in that neighborhood more than one way to get in and out. We are looking at network connectivity and how that relates to congestion relief as an important goal. In terms of the mode shift that you see in this pie chart, that is also something we can do at the same time, so as we are building a new road we can look at the bike and pedestrian facilities that are associated with that road. I think the goal here is balance to address congestion and also look at certain types of trips and how those can be shifted. It is really kind of an "all of the above" strategy to look at all of those things and see how we can do that with our road network to make it work as efficiently as possible for all of these different users.

Council Chair Rapozo: Okay. That was a good answer.
Councilmember Kualii'i.

Councilmember Kualii'i: Just to follow-up on that quickly, when you look at those pie charts, and I know it comes out of the Multimodal Transportation Plan, but if you add up the three (3) smaller pieces: the blue, the purple, and the green, which is transit, walk, and bicycle, and then you add up the other two (2) pieces, it is basically the future where we are trying to get to, get more people out of their cars and walking. Then the yellow and red is people remaining in their cars and walking. From 2010, that is passed now so is that actual numbers, more or less?

Mr. Steinmetz: The 2010 numbers are actual numbers, yes.

Councilmember Kualii'i: So ninety-three point one percent (93.1%) are in cars, whether single or multiple, and six point nine percent (6.9%)—is the transit piece the bus primarily? Yes? Okay, so in 2020, if we keep moving in that direction and making it easier for people to walk, bike, and ride the bus, then that six point nine percent (6.9%) piece would go up to twelve point five percent (12.5%), but the people remaining in the cars is still eighty-seven point five percent (87.5%). So we are talking about projecting out and investing GE tax dollars at a seventy-five percent/twenty-five percent (75%/25%) ratio and I guess it is because we want to change the direction. But in reality, we have to, of course, keep investing in repairing the roads and bridges, right?

Mr. Steinmetz: Yes, that is correct. It is not an “either/or.” We have to do all of those things. It is an “all of the above.”

Councilmember Kualii'i: How do you come up with this? Is that your best estimate for 2035? That is getting the smaller piece from six point nine percent (6.9%) in 2010 to twelve point five percent (12.5%) in 2020, and then almost doubled to twenty-two point seven percent (22.7%) in 2035, and then reducing people in their cars from eighty-seven point five percent (87.5%) to seventy-seven percent (77%). How do you come up with those numbers for 2035? Is that right out of the Multimodal Plan and they did studies and forecasts, and is the best case?

Ms. Nakamura: Nadine Nakamura, Managing Director. I think it includes everything that Lee said like creating bus routes and making it more frequent so we can get people out of cars because it is more convenient to catch a shuttle into work for commuters, making it more convenient, creating walkways and bikeways so that parents do not have to get in a car and drop their kids off at school if they live nearby. One study at Kapa'a Elementary was that over ninety percent (90%) of the families were driving their kids in, even though they live within a quarter mile. Those are the kinds of improvements that can be made to get parents to feel comfortable to let their kids walk or bike when it is convenient. Of course when it rains and when there is a lot of congestion on the road, they may not do that, but how do we encourage it and make it feasible for that to even be an option?

Councilmember Kuali'i: The last piece on this, so in 2020 or 2021, where it is now in the past, will we go back and make these numbers real so we see what we forecasted if it turned out or if we overestimated, and then redo the forecast to 2035, because that might change as well?

Mr. Steinmetz: Yes, we are tracking these things so that we can keep track of them. We are tracking vehicle miles traveled on-island. We are just talking now about being able to set up a system where we can look at streets before and after where we make improvements and look at how many people are actually walking and biking, so we can track that and understand that. We have these projections, and then we can also track it and say, "Well, are we achieving these goals that we have set?"

Councilmember Kuali'i: Ultimately, we could change our strategy on how we are spending the money in year 4, year 5, and year 6 based on what is working and what is not working, right?

Ms. Nakamura: Yes, and it will be the annual budget that directs where those funds are going.

Councilmember Kuali'i: Right.

Ms. Nakamura: While the players may change on the Administration and the Council side, as Councilmember Hooser brought up, it will be the annual budget that dictates how the funds are spent in that upcoming year.

Councilmember Kuali'i: Thank you.

Council Chair Rapozo: Any other questions? If not, thank you very much. Councilmember Yukimura has asked to do a PowerPoint presentation to the Council. We will allocate twenty (20) minutes for her to do her presentation. Again, I am making this accommodation, simply because I reviewed the PowerPoint and I think it is important for the public to see that perspective. While the rules are suspended, Councilmember Yukimura will have twenty (20) minutes to complete her presentation, and then we will open it up for public testimony.

Councilmember Yukimura: Thank you, Chair. I appreciate this opportunity and you asked that I not present this again in the future, and I certainly commit to that, but I want to say that I may still be use some of the materials in it to either summarize or to do my discussion in the future. Okay.

With Bill No. 2610, Kaua'i has the opportunity to achieve two (2) of our major goals: reduce traffic congestion and develop an affordable and sustainable land transportation system for the future. Traffic congestion is affecting everyone and should be our top priority to address, but we must find effective solutions. Also, it is very important to create an affordable and sustainable transportation system for Kaua'i into the future. Transportation is the second largest household expense for our families next to housing. If we are able to reduce the cost of transportation, we will be helping families significantly. World leaders just concluded the Paris

Summit on climate change. We need to reduce our carbon emissions and if we implement our Multimodal Land Transportation Plan, which we unanimously approved in 2013, we will reduce our carbon emissions from ground transportation by twenty-seven percent (27%) over the next twenty (20) years. How are we going to do all of this? There are two (2) steps: one, pass Bill No. 2610 and establish the excise tax; and two, use the excise tax moneys generated wisely and strategically. What does it mean to use our moneys strategically? To not use it on things that sound good, but would not get us to our goal, and to find the most effective solution and put our investment there.

Let us talk about our first goal to reduce traffic congestion. Two (2) Sundays ago between 6:30 p.m. and 7:30 p.m., I was caught in the Kapa'a traffic trying to get home from Līhu'e to Kapa'a. I literally missed my family dinner because it was about one (1) hour that I was on the road. I pitied the poor tourists who were trying to get to the airport. Everyone has had similar experiences in various times in the day or night or on various days of the week. Gridlock hurts everyone; it hurts businesses, families, workers, visitors, the environment, and the quality of life. My hope is that we can begin moving from complaint to possibility, and ultimately to a solid solution for traffic congestion. We are all familiar with this statement, "No problem can be solved from the same level of consciousness that created it." This is by Albert Einstein. This is very applicable to the problem of traffic. Because we initially built for cars, it seems logical that by widening our highways and creating more roads we could solve today's traffic congestion. However, Honolulu has been widening and building bypasses for the last thirty (30) to fifty (50) years and what is Honolulu's traffic situation today? Honolulu is one of the worst cities in the country for traffic congestion. The worst five (5) cities in the country are Los Angeles, San Francisco, Honolulu, New York, and Seattle. Is this the future we want for Kaua'i? Even if building roads was effective in solving traffic congestion, they are not cost-effective. Look at the cost of building new roads versus transit expansion. Two (2) to four (4) lanes, Līhu'e Town to KCC, two (2) miles: eighty million dollars (\$80,000,000). Did that project take care of congestion? Yes, for one (1) year or two (2) years perhaps, but do you notice how congestion is now piling up at the edge of Puhi by KCC where the four (4) lane road becomes a two (2) lane road once again? Also, in Līhu'e Town, along Kūhiō Highway on the other end. For the price of eighty million dollars (\$80,000,000), we push congestion down the road. Now the DOT is planning to widen Kaumuali'i Highway from Puhi to the Tree Tunnel for an approximate cost of one hundred seventy-five million dollars (\$175,000,000). I know Michael told me it is one hundred sixty-three million dollars (\$163,000,000), but it was one hundred sixty-three million dollars (\$163,000,000) in 1997, so I boosted it. When we expanded the bus system awhile back, it cost one million two hundred thousand dollars (\$1,200,000). We could have expanded bus service for one hundred seventy-five (175) years if we used the money. So this is the old thinking and the old thinking is not working. So what is the new thinking that Albert Einstein talked about? We find it in two (2) words: "mode shift." Instead of thinking about how many cars we can pass through one point of the highway, is it possible that by shifting the mode of travel from car to some other mode of transportation, we could move more people through any one point of the highway? What are the different modes of travel? Automobile: most often the Single-Occupant Vehicle (SOV). Sometimes, it is the Multiple-Occupant Vehicle (MOB). Then of course there is

transit, bicycle, and walking. The next photo helps us understand the implication of mode shift. Here we see eighty (80) bicyclists, eighty (80) car drivers, and eighty (80) bus riders with their respective modes of transportation; bicycles, SOVs, cars, so one (1) person in a car, and their bus. We can see the vast difference in road space required for each mode. It is clear in this photo that we can get a lot more people through any point on the highway with bikers or buses than with SOVs. Mode shift allows us to expand the capacity of existing roads without infrastructure expansion. The good news is that mode shift is front and center of our County Multimodal Land Transportation Plan. We are the only jurisdiction in the State and Counties to have a multimodal land transportation plan, though I must say that going to rail in Honolulu is the same principle. Most land transportations in the State are highway plans, but because ours is a multimodal plan, it includes cars, transit, walking, and biking.

The goal of the Multimodal Land Transportation Plan is to keep Vehicle Miles Traveled (VMT) flat, even as we grow in population and commerce. What is VMT? Vehicle miles traveled. It is a total number of vehicle miles traveled, so it is calculated by number of vehicles on the road times the miles that each vehicle travels. It can be measured by day, week, or month vehicle miles in a day. It could be measured by household vehicle miles traveled or the community's vehicle miles traveled. Our Multimodal Land Transportation Plan is showing our community vehicle miles traveled. In 2010, it was seven hundred seventy-one million (771,000,000) vehicle miles traveled. If we go business as usual, it will be nine hundred fourteen (914) or a nineteen percent (19%) increase. If we do our Multimodal Plan, which is the preferred, it will stay flat. So vehicle miles traveled gives us an indication of how well we are doing in shifting mode and let me show you what that means. So single-occupancy vehicle: forty (40) people, one (1) in each car, and they go one (1) mile, it is forty (40) vehicle miles traveled. Transit: forty (40) people in one (1) bus go one (1) mile, it is one (1) vehicle mile. Bicycles: forty (40) people on each on a bike going one (1) mile, it is zero (0) vehicle miles. Walking: forty (40) people walking going one (1) mile is zero (0) vehicle miles. By shifting to modes that do not create vehicle miles or create smaller vehicle miles, we can reduce congestion. Vehicle miles traveled is an indicator of congestion, so changing on the modes, we can move more people. Of course, we have seen this. As Councilmember Kualii pointed out, in 2010 our greatest mode of transportation is the automobile, either single-occupancy or multiple-occupant. If we change the mode, and we are not talking about doing away with cars, because we are talking about people driving if they want to drive, but there are many people, who if we provide safe walkways, safe bicycling, and transit that is more convenient, who will move to that mode on their own. In fact, every time we provide additional bus service, transit ridership skyrockets. If we can do that, we will see the mode shifting and you can see...this is only a tiny sliver that is non-auto and it will get not substantially bigger, but still actually twice as big as it was in 2010, and this will go down not a whole lot, but percentagewise of a larger population, we will lessen traffic congestion. It is a paradigm shift. If you take away the space of four (4) cars and you can put where you had four (4) people moving on the road, you can have eighty (80) people moving. You take away maybe about twelve (12) cars. That is the space for eighty (80) bicyclists. We are leveraging the space. A transportation system that is increasingly multimodal, and thereby less congested,

will allow commerce to flow, residents to go to work, truckers to have better roads, young students and older students getting to school and afterschool activities and college, elderly to get to the doctors or senior centers or volunteer stations, and visitors to see the island and attend events without driving. It will also allow those who want to drive cars to drive cars on less congested highways, but there is more. The plan also helps to reduce greenhouse gases and fossil fuels, increases the health of our citizens, lowers household transportation costs, and increases highway safety. These are the indicators and you can see that this is the projection of if we follow our Multimodal Plan, what the results will be in vehicle miles traveled, annual gallons of motor fuel consumed, fatalities from motor vehicle collision, adults meeting the minimum levels of physical activity, and average household costs. So annual vehicle miles traveled, under the business as usual will go up nineteen percent (19%). Under our Multimodal Plan, it will be zero. Annual motors of fuel consumed...gallons of fuel consumed will go down in the business as usual because of more increased efficiency of cars, fuel efficiency of cars, and the move hopefully to electric vehicles, but the multimodal scenario will go down twice as much. I think this was close to the figure that President Obama mentioned as what we have to do, a twenty-seven percent (27%) reduction. Annual greenhouse gas...that is what President Obama's thing was...annual greenhouse gas emissions from ground transportation...his list from everything. Look at this...fatalities from motor vehicle collisions per one hundred million (100,000,000): with business as usual, it will stay the same. With multimodal, it will go down fifteen percent (15%). For weekday transit ridership, this is what we will have to achieve if we want to lessen congestion, will go up one thousand percent (1,000%), but we can do it with the plan. This is interesting: percent of adults meeting the minimum level of physical activity will not change under the business as usual. It will stay at fifty-seven percent (57%), just meeting the minimum level of physical activity. In our Multimodal Plan, thirty-two percent (32%) will meet the minimum level of physical activity because bus is an active transportation. Those who ride the bus have to walk. This is the most important: annual average household transportation costs. If business as usual, it will go up fifteen percent (15%), whereas under our multimodal scenario, it will go down six percent (6%) because people can save money from riding the bus. They say if a household can get rid of one (1) car, it will save enough money to service a fifty thousand dollar (\$50,000) mortgage.

So that is what we have ahead of us and that is our challenge, and what we can do with this excise tax. Now I just want to say that I believe I have been one of the strongest advocates for fixing and rehabbing our roads and I believe we can use some of that excise moneys for doing that, but I do not believe that we should do that to the exclusion of users of the road system paying also. The people who cause the most damage to the road by weight...we just heard that we lowered the weight level of our bridges because weight causes a lot more wear-and-tear on our roads and bridges. They should be paying for some, so we need to look at the vehicle weight tax and the fuel tax, and perhaps not increase the excise tax as much, because it is not fair to have the grandma who does not drive a car have to pay in excise taxes for damage to the road that is caused by big commercial trucking and people who use the roads. Thank you.

Council Chair Rapozo: I have one question on your slide number 6 where you compare the expansion of the bus. You are basically saying to meet the expansion for the bus services for Kaua'i would cost one million dollars (\$1,000,000) a year.

Councilmember Yukimura: No. Thank you for that question. It is using our experience where we expanded the bus service, and it was in Celia's presentation, that when we expanded the bus service from 6:00 p.m. to 10:00 p.m. and added Sunday service, I think, the cost was one million two hundred thousand dollars (\$1,200,000) per year, so that compares to an incremental increase from two (2) to four (4) lanes going from Līhu'e Town to KCC. I am just talking about comparative increases in capacity.

Council Chair Rapozo: What is the life span of the nine (9) miles from KCC to the Tree Tunnel? Why would you not break that down to an annual cost, versus a one-time cost?

Councilmember Yukimura: You could.

Council Chair Rapozo: I know. Why you did not is the question?

Councilmember Yukimura: I did not include maintenance in this. The thing is that the cost of going two (2) lanes to four (4) lanes from KCC to the Tree Tunnel is not the total cost because if it just moves congestion down the road, then you are going to have to widen it to the west side, so you have that cost, too. When the DOT was doing its Long-Range Land Transportation Plan, I was hoping that they would show what the total cost of a functional transportation system would do with all, not just incremental increases because all of those incremental increases do is necessitate the next incremental increase. We are looking at two (2) lanes to four (4) lanes to the west side, two (2) lanes to four (4) lanes to north shore, six (6) lanes between Līhu'e and Kapa'a, parking that is going to be incredible. We are already having parking up at Kē'e Beach, down at Po'ipū, and everywhere. If you start increasing all of those costs, that is the cost of a system that just builds roads. I am not saying "no cars," I am saying let us have a balanced system, but that kind of system needs to be a different kind of system. It needs to be a multimodal system where a lot more of the traffic is in transit, walking, and biking. So we have our plan where walking and biking towns would be the goal that is connected by transit. If you estimated the total cost of that, versus the cost of a car-dominated transportation system, you would have to do that extrapolation across the whole island.

Council Chair Rapozo: Okay. I am just suggesting that we compare "apples to apples" because even using Honolulu as a comparison, my God, that is entirely different. There is one million people (1,000,000) on O'ahu, a heck of a lot more cars. We are rural; we are not like Honolulu. Kaua'i is a different place and I think there comes a point where it is going to cost more to provide certain services on Kaua'i than it does on O'ahu, including transportation.

Councilmember Yukimura: Chair, O'ahu used to be like Kaua'i. I remember when I stayed with my grandmother in Kalihi and worked at Waimano Care Home that there was a two (2) lane road between Kalihi and Waimano Care Home. They were like us and they became the way they became probably by not really doing enough multimodal work. They are doing it now. Their major multimodal piece is rail because they know they cannot do it just by building more roads.

Council Chair Rapozo:

Councilmember Kualii.

Councilmember Kualii: I have one simple question. I like the slide that shows the eighty (80) people on bikes, cars, and on the bus and how the visual shows you less people actually using the roads for congestion. The other thing I think about and I wonder if in the Multimodal Transportation Plan, if even a part of it, is the idea that...you talked a little bit about housing, so new affordable housing obviously should be built along transit lines, but even also in neighborhoods that already exist that may already have a grocery store so that you can actually walk to the store as well. Do you think that in addition to this, as far as planning for the money for transit, that we also have to plan for perhaps economic development incentives that encourages new, small business like neighborhood grocery stores, neighborhood services to pop up so that people can actually have a place to walk to?

Councilmember Yukimura: Yes, indeed. I think the Rice Street development that we are doing is trying to do that, which is make Lihu'e Town and Rice Street more walkable and allow more biking. We are starting to see some of these new services coming in like Hā Coffee Shop and the Kaua'i Beer Company. We certainly could use a grocery store and actually I am working with citizens to develop a food co-op on Rice Street or someplace in Lihu'e. Also, the point you made about locating housing close to workplaces and to transit is a really important thing and the Multimodal Plan does say that you cannot solve the problem just by changing modes, that you have to look at your land use. I want to point out that by putting Lima Ola in 'Ele'ele where the jobs are not, you will have to calculate the traffic that will come from Lima Ola to Kōloa and Lihu'e. That is going to cause and worsen west side traffic and it is addressed...Chair, you asked about west side traffic, but it is addressed in the South Kaua'i Plan that Papalina Road/Kaumuali'i Highway intersection is a really limited place. If we do not do more multimodal and more good land use, we are going to have a major problem with west side traffic. We already have it now, but it is going to be worse.

Council Chair Rapozo: Any other questions for Councilmember Yukimura on the presentation? Councilmember Kaneshiro, then Councilmember Chock.

Councilmember Kaneshiro: My questions were along the lines of what Councilmember Kualii said I am looking at slide number 13, the preferred mode share. I think we have seen it with the Mayor's presentation, and then yours. I think a big part of this would be taken care of through...I do not know what the percentage would be if we compare like an expansion of the bus service to say more of a smart...which we touched upon right now, a smart growth building where you

have commercial on the bottom and residential on the top—yes, mixed-use. You would basically eliminate vehicle miles traveled for all those people to get to a grocery store, but it does not necessarily mean that we are expanding the bus or anything like that. When we are trying to shift it, it is not just solely based off of a bus expansion. There are other things.

Councilmember Yukimura: You are absolutely right. It is not a single solution or a “silver bullet.” It is many pieces, but the transit piece, and that is why rail is so important on O’ahu; the transit piece gives one of the biggest leverage points, partly because people have to go from one town to the other and walking or biking does not really work. So you want to have as much self-contained neighborhoods as possible with good walking and biking paths, so for most of their needs they can stay in their neighborhoods, but when they have to move, then transit is really important. Otherwise, they have to get into a car and when they get to town, they will probably drive a car.

Council Chair Rapozo: Thank you. Councilmember Chock.

Councilmember Chock: Thank you, Chair. Thank you for the presentation, Councilmember Yukimura. I think it points us in the right direction of where we have to look. The questions really are about balance. I see that on slide number 25 you have offered an alternative to the Mayor’s proposal, and the question is what is that rate? How ready is Kaua’i to move in the direction that you see us needing to move? What is that rate of transition? For instance, there is a projection from the Mayor’s Office on...you used the same slide, I think, in terms of that transition to 2035. I want to understand your justification for the seventy-five percent (75%) that you are offering an alternative that would lead us to that. For me to wrap my head around where that is taking us...I know people are going to be ready to move in that direction that you are suggesting.

Councilmember Yukimura: Let me explain because I did not really talk about the slide where I am talking about an alternative to the Mayor’s proposal, which would be that we go for a quarter percent (0.25%) excise tax and use seventy-five percent (75%) of that for transit. In answering your question, Councilmember Chock, a quarter percent (0.25%) would generate ten million dollars (\$10,000,000), so we do not have all the costs of expanding our transit because we are still doing our regional shuttle systems and we are doing our short-term transit plan. The reason I worked so hard to try to get the one-half percent (0.5%) excise tax passed, and it is up to one-half percent (0.5%) in the past legislative session is because we need something to fund our multimodal plan expansion. If we do not have the money, we cannot implement the plan. It is a guess. I need the help from the Administration exactly for what it would take to fund our transit needs over the next ten (10) years using the quarter percent (0.25%). I also want to use quarter percent (0.25%) for road and bridge repair and reconstruction, but I also think that in order to fully do that, we need to draw on the vehicle weight tax and the fuel tax, which is a user tax. Otherwise, we are asking people who do not drive and who cause the most damage to our roads to pay for that, when actually the people who use it should be called upon to do their fair share. Puhi Road is costing us about five million dollars (\$5,000,000) and most of that damage is because of the heavy

construction. This is about social equity and the reason why I think it is fair to use an excise tax for transit is because the people who are most hurt by it, because it is a regressive tax, are going to be getting the services from it.

Council Chair Rapozo: Are you suggesting that the vehicle weight tax and fuel tax be increased to make up the difference?

Councilmember Yukimura: I am suggesting that we need to look at that. Why should we make the working-class people pay for commercial use that can pass money on? We can calculate this, but the price of gas has gone down by how much...thirty cents (\$0.30)? If we did one cent (\$0.01) a gallon, we could generate money to fix our roads and people would still be better off than they were ten (10) years ago or five (5) years ago when the price of gas was high. Even the truckers are saving a lot on gas and they need to do their share. So a little bit of user tax and a little bit of excise tax. To me, that is a fairer way to pay for what we all agree needs to happen, which is repair of our roads and bridges.

Council Chair Rapozo: So using that rationale, you expect the general public who do not use the bus to pay for that expense?

Councilmember Yukimura: Correct, because everybody benefits from a well-working land transportation system and the bus is one of the key ways to make it a workable transportation system because it saves so much space. It is not about forcing people or having to convince people to use the bus. Every time we increase service, people use it because it is the cheaper and better way for them to go. A car costs so much. Yesterday, I rode the bus from Waimea to Līhu'e and there were a bunch of kids there. They said that they use it eight (8) times a day and half the bus was filled with kids or young people. This was about 3:00 p.m. from Waimea to Līhu'e. You should see how many people need it, depend on it, and would use it if we increased the services.

Council Chair Rapozo: Councilmember Kaneshiro.

Councilmember Kaneshiro: I have a follow-up along those lines when you say that people should be paying their fair share and heavier vehicles should be paying their share. Do you know if the bus pays a vehicle weight tax?

Councilmember Yukimura: Yes, and a fuel tax.

Councilmember Kaneshiro: Do we pay a vehicle weight tax for buses?

Council Chair Rapozo: I do not think we pay a registration fee. The County does not pay any vehicle registration fee, so they do not pay a weight tax.

Councilmember Yukimura: Okay.

Councilmember Kaneshiro: Buses are heavy and they use the roads also. If you say that everyone should pay their fair share, and the buses are using the

road, but do not pay it, then we are basically further subsidizing the buses' expenses on the current users, current vehicle drivers, and not the buses.

Councilmember Yukimura: No, vehicle drivers are not paying their own way, so it is the general public that is paying the subsidies, both for the vehicle drivers and for the bus. But if that is a big deal, we can set aside a certain amount to pay for bus vehicle weight taxes and we can arrange that. Actually, cars are the most subsidized mode of transportation and I will get that documentation, but the single-occupancy drivers are the most subsidized and the heavy vehicles are very highly subsidized. They do not pay their way for the damage cost. We can go and get highway information on that.

Council Chair Rapozo: Any more questions for Councilmember Yukimura on her presentation? If not, is there anyone in the audience wishing to testify on this? Wait, did we take public testimony? We took it upfront, right? Who spoke already?

Ms. Fountain-Tanigawa: Mr. Mickens, Mr. Taylor, Mr. Soqueno, and Mr. Dos Santos-Tam.

Council Chair Rapozo: Who would like to speak on this for the first time? Mr. Mickens, you testified on this earlier about raising the general excise tax, so you would be able to talk again, but Mr. Bernabe, this is your first time.

Mr. Bernabe: Matthew Bernabe for the record. I would like to start off by pointing out that it was a pretty good, as far as I am concerned, a catalog of some of the problems and issues that we have to go forth with as far as roads and bridges. I was more concerned when I was listening to them give their presentation about how many families have more than two (2) kids. There are a lot of families that have three (3), four (4), or five (5) kids. So that means that when you go to Pono Market, to the movies, or wherever you are and have to pay the tax, we will not be doing those things and that is going to hurt the overall economy of Kaua'i. There are a couple of things that I would like to point out: there is a lot of underutilized agricultural land that gets really cheap rates that they are taxed at. They get to keep their fifty dollar (\$50) lease tax, whereas in other areas, the market value inflates. I have heard stories of people that have similar properties, but they get grouped into different neighborhoods under our very complicated tax methodologies. Maybe there is some revenue to incentivize actual agricultural activity or give them fair market value for this land if they are going to leave it in a fallow state. The other thing was movies. I wrote a letter to the paper and I think I might have talked here in 2014 that as a State, we paid thirty-four million dollars (\$34,000,000) for forty-two (42) productions, which was everything from Hawai'i Five-O to Jurassic Park, which made over five billion dollars (\$5,000,000,000), so we paid them to make five billion dollars (\$5,000,000,000). They broke four (4) records: the first weekend, opening weekend, they had the most for opening night, domestic and international; and the second two (2) records they broke was the fastest movie to make two billion dollars (\$2,000,000,000) international and the fastest movie to make it one billion dollars (\$1,000,000,000) national, domestic. So these people made big dollars and we paid them to come here. We really dropped the ball on

capitalizing on them picking up some of the tab to help our community, which they come here. Then they said, "Well, we make it back in the tourists." Guess what, the State is keeping that money from the tourists. This is a Ponzi scheme that we keep losing. I see that my time is going out and I do not know if you are going to let us all talk again, but on the buses, let us get more routes and bigger buses so that we can get more people on them and make the bus actually make money, versus subsidizing it with money. I want to see the business plans before you engage in activity. Stick to the bus routes that the school uses because those go in the neighborhoods and pick up kids all throughout the neighborhoods. I see my red light.

Council Chair Rapozo: You will get another chance.

Mr. Bernabe: Okay.

Council Chair Rapozo: Anyone else wishing to testify for the first time? If not, the second time? Mr. Mickens, and then Mr. Taylor.

Mr. Mickens: Glenn Mickens for the record. Councilmember Yukimura's plan is purely speculative. There are no facts or proof that people will ever abandon their vehicles for any other means of travel. Yes, Los Angeles and Honolulu have traffic problems, even with wider roads and freeways, but what would happen to those using vehicles without these other roads and freeways? Total gridlock; where would they go? I have seen it happen in Los Angeles. Even our County Planners with their pie charts show people in 2035 using almost eighty percent (80%) of traveling vehicles, and even that number is speculative that people will use bikes, buses, shuttles, or walk. All of her numbers are predicated on people abandoning their vehicles and there is no factual evidence that this will happen. More hybrid and electric vehicles are on the market, plus self-driving cars that is eliminating global warming. Again, if Councilmember Yukimura is convinced that other means of travel are better than a vehicle, then why does she not use these alternative means herself and lead by example? I have a copy of an article out of the Star Advertiser and let me just quickly read a couple of things. Here are the facts: "Congestion Transit Barely Tie In: More Drivers Are Choosing Cars Over Public Transportation. Locally Honolulu's usage of public transit for commuting has been continuously declining despite the huge subsidies provided, over one hundred million dollars (\$100,000,000) in the current year. Fewer workers today commute by transit than any time in the last twenty-five (25) years. Here are facts: Portland, the poster city for light rail had an increase of twenty thousand (20,000) transit commuters during the census period 1990 to 2000, which everyone has applauded as a spectacular performance. However, it also had an increase of one hundred seventy-five thousand (175,000) number of car-driving commuters. Since Portland has done little or nothing about increasing road space, having spent the money on light rail, the result was one of the worst increases in traffic congestion in the nation. Yet, its public officials still gloat over the ridership increase." Basically, we are talking about something that you are going to speculate on. Show me any place similar to Kaua'i, seventy thousand (70,000) people that are like this municipality, where people have to get back and forth to commute. Whether you are going to the doctor's office or anyplace, you have a vehicle for

convenience, and none of you, including Councilmember Yukimura, will walk out of here and get on a bus, bike, walk, or a commuter. I say that as factual. Again, let us realistically dream about what we are going to do, not just speculate that something is going to happen. Thank you.

Council Chair Rapozo:

Councilmember Hooser.

Councilmember Hooser: Point of order. I want to ask if you, Chair, can instruct the testifiers to restrict themselves to the issues and avoid personalities. I think it is inappropriate for any speaker to address Councilmembers personally, especially if the Councilmembers do not have the opportunity to respond. We all know that Councilmember Yukimura uses the bus, rides bikes, and walks probably more than anybody here. Without the ability to respond, I think we need to reinforce to the speakers that it is inappropriate for them to criticize Members of the Council.

Council Chair Rapozo: Thank you. Councilmember Hooser is correct. If you could just direct your comments to me and not mention any names personally, that would be appreciated. Thank you, Councilmember Hooser.

Mr. Taylor: Ken Taylor, for the record. First, I have a question for any of you: did you bike, ride the bus, or walk here today? Did any of you? Three (3) times in last couple of weeks, from the roundabout on the bypass road in Kapa'a to the river, it has taken me forty-five (45) minutes. One of the problems with the bypass road today is that people getting off before you get into Kapa'a, and then having to filter back into the highway down below, which bottlenecks everything up. The proposed activities that are looking at all are going to be eaten up by all the new development that is coming along that corridor. In a recent trip to Honolulu, which has a very good bus system, I went from two (2) miles on the bus and it took me over half an hour. The problem with any kind of transportation is that it gets eaten up if you continue to grow and develop and that is the problem. Whether you are putting people on the bus or not, if you look at thirty thousand (30,000) new people in the next twenty (20) years and if you could even promote fifty percent (50%) of those people riding the bus, the fifty percent (50%) that would not ride the bus and get in their automobiles will just make a traffic jam on the existing roadway, so if we continue to plan the way we are planning and we continue to grow the way that we are growing, you are going to continue to make the traffic problems, regardless of what route you take, worse and worse. It is unfortunate, but something has to happen in the planning process to alleviate the traffic problems. Thank you.

Council Chair Rapozo:

Thank you. Anyone else wishing to testify?

Mr. Bernabe: Matthew Bernabe, for the record. As I was saying, we are subsidizing this movie industry through the language of saying, "We make it back with the tourist advertisement," yet, the State does not pay us the tourist revenue as we should be getting. As they pointed out last night, they never did anything according to them. What I would like to say is that we need to create revenue generators and not cannibalize our revenue that is just circulating right

here. That is why I am talking about an export economy. If we look at some of the fallow land or even land that is used...like my cousins work in the fields out on the west side...and of all of the land that they lease, they only keep a small amount of active usage going, and in some cases, some plots stay fallow for so long that it is nothing but weeds every time you go there. Why should these people get the benefit of being sheltered from the true potential value that it could be. They get to say, "It is farmland. It is not the real land, so we get taxed at fifty dollars (\$50) an acre." Yes, they get higher than a personal house, six dollars and seventy-five cents (\$6.75) per thousand dollars or something, I believe. But if your leased acre is only fifty dollars (\$50), how many fifty dollar (\$50) acres does that add up to? There is a huge discrepancy here. The thing about the movies is that imagine if we were here today discussing one percent (1%) on profit, not what it took them to film the movie or get here and do everything, but just say once you hit your profit, once you start calling it "profit," imagine how much money we would have made with just one percent (1%) off of Jurassic Park. Instead, we are having the conversation of limiting the people at the end of the road because this "payment in advertisement is so good for us." I am just saying that we need to have a couple of things occur for this discussion. One is that we have to make better choices at the bargaining table. Even if we have to at the say, "You know what, State? You do not want to give us our TAT, so you capped us at a certain level. We are not going to pay for the three (3) days of *hula* dancers, while you pay for two (2) days of *hula* dancers at the airport; simple little things like that. I think we need the political courage to stand up for ourselves and at the same time we are creating a financial driver so we can be less dependent on you folks telling us what we need and can or cannot do. I am just saying.

Council Chair Rapozo: Anyone else wishing to testify on this?
Seeing none, I will call the meeting back to order. Further discussion?
Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: Thank you. I would like to put up another presentation that I have. I am glad that The Garden Island newspaper is here today. We always talk about hypotheticals, "How much does this mean for our family?" Again, I used my friend, Google, and did some estimates based on current federal and state tax rates. If you are a married couple, each making forty thousand dollars (\$40,000) a year, probably middle-class making eighty thousand dollars (\$80,000) combined, and you figure with their deductions, they have maybe a taxable income of sixty thousand dollars (\$60,000) that would put them in the fifteen percent (15%) tax bracket. Therefore, nine thousand dollars (\$9,000) would go to federal income taxes. Another seven and a half percent (7.5%) of their eighty thousand dollars (\$80,000) goes to Federal Insurance Contributions Act (FICA), Social Security, and Medicare, totaling about six thousand dollars (\$6,000). So for this family, fifteen thousand dollars (\$15,000) already is for federal taxes; it is gone. There is nothing they can do about it. This couple also has to pay state income taxes, so with the state income tax I estimated seventy thousand dollars (\$70,000), normally for your taxable income from state is going to be much higher than federal

because the standard deduction and what have you is lower. So say of seventy thousand dollars (\$70,000) of taxable income, to pull that off the table, they would pay four thousand three hundred eighty-one dollars (\$4,381) combined. General excise taxes—I did an estimate and came out similar to MIT. My college degree is from the University of Hawai'i at Mānoa (UH Mānoa), but we both came out with about twenty-five thousand dollars (\$25,000) of general excise tax purchases per year, coming out to about one thousand dollars (\$1,000) per year. Therefore, this couple is paying about five thousand three hundred eighty-one dollars (\$5,381) of state income taxes per year, gone, not being able to do anything about it. For Kaua'i County, I made a big assumption that this couple owned a five hundred thousand dollar (\$500,000) house, and with the Homestead tax rate, they paid one thousand five hundred dollars (\$1,500) of taxes, so I did not exclude the County; I was kind of generous with the County. I am assuming maybe their parents helped them get the down payment. For automobile taxes, you cannot get away from that. The family has two (2) cars, about three hundred dollars (\$300) each, so I am saying that this couple would pay two thousand one hundred dollars (\$2,100) to the County in taxes. If you look at the percentages...we stress about taxes—when do we raise tax? When do we not raise tax? Eighteen percent (18%) of your taxes or for any typical couple that lives in Hawai'i, a United States citizen, will pay eighteen percent (18%) of your income to federal taxes. State tax is about seven percent (7%) of your income. County tax is about...generously if you have a five hundred thousand dollar (\$500,000) house, two and a half percent (2.5%) of taxes go to the County. We are now thinking about this one-half percent (0.5%), which would mean about one hundred twenty-five dollars (\$125) per year in additional taxes, so we would go up to two thousand two hundred twenty-five dollars (\$2,225) under this proposal. We still would be under three percent (3%), but it is not a way to justify raising more taxes. For me, this issue is that we fell behind, for whatever reason, in the maintenance of our roads and bridges, and our transportation system could be improved as well. What are we going to do? Are we going to just say, "You know what, I want to get reelected; no taxes." That is the easy way out. Any politician that opposes taxes has a better chance of getting reelected, period, but who is going to be the brave soul to take care of our infrastructure like our bridges, which we saw the pictures. They do not lie. They are not only in 'Anini or Wailua Homesteads; there is Hanapēpē Bridge also. The top of that bridge is crumbling or spalling or what have you. When it spalls from the top, can you imagine the underneath? What are we going to do? Are we going to take care of our infrastructure and stop making excuses or are we going to just wait for the next Council or wait for some bridge to break before we say, "Okay, we have to do something." For me, the decision is not easy, but I look at these line items that I show and I am not afraid to impose a little bit more tax from the County side if I have to fix the infrastructure. Thank you, Chair.

Council Chair Rapozo:
Hooser.

Thank you. Anyone else? Councilmember

Councilmember Hooser: This is a motion to receive, which I will be supporting that motion, but I will not be supporting the increase of the GE tax. The previous speaker very rightly said that this is often a campaign issue, and I believe in the last campaign there were at least three (3) or four (4) people here at this table

that campaigned on that, that they were not going to raise taxes. I was not one of those; I was quiet on that issue, but there were several here that said over and over again that fiscally responsible, so we cannot raise taxes because the people pay too much. That was already said in the last election and my focus is not on the election; my focus is on fiscal accountability and our County needs to learn to live within its means. With the most recent budgets I have been involved with, every one of them, this Council has raised taxes. I am tired of it and I think the people of Kaua'i are tired of it. The Mayor started the day by saying, "It is a good day," and then talked about opportunity, and I applaud him for his positive attitude, but it is never a good day when you have to raise taxes or when you are voting to raise taxes. I do not see this as an opportunity at all. I think the County needs to learn how to live within its means. All the plans, PowerPoints, and all of that is fine and dandy and I commend the people working on those plans, but as I mentioned before, they will have a new Administration, new directors, and possibly, and some would say hopefully, new Councilmembers, coming up with new plans. This is all pie in the sky. We are voting on possibly raising taxes for the people of Kaua'i. I did my own calculations up there, and I do not have a PowerPoint, but I used the same ones the Administration uses. This is about taking two hundred fifty million dollars (\$250,000,000) out of our local economy over ten (10) years; two hundred fifty million dollars (\$250,000,000) out of the pockets of residents because we can. I am not going to support this at all. The impacts of the pyramiding of the tax are far greater than just the one-half percent (0.5%). Another Councilmember asked earlier, "What happens in ten (10) years when this goes away? How are we going to pay for all of the maintenance?" That was a very good question. In my experience in serving in public office for the last fifteen (15) years, the reality of this will not go away. At the end of ten (10) years or whenever it is supposed to go away, there will be another vote saying, "We need it. People have been paying for it. Let us keep it." This is a tax and if you are a realist you will know that this will be here forever. There is some difference of opinion of whether or not this is because we are losing the TAT. At first we were told it is, then we were told it is not. I have never seen any hotels here saying that if their property taxes are raised, they are going to close up and go home and sell. We have seen plenty of property owners tell us that. We do need to fix our roads and we do have bridges that need to be repaired, but we have to do that within the means that we have. If we are going to raise taxes and fees, those taxes and fees that we raise should be directly associated with the users of those roads, as Councilmember Yukimura rightly pointed out. People that use them more should pay more. People that drive twice as much as one person should pay twice as much. Having this tax is like having free water. There is no penalty. There is no downside for driving all the time. If it was on the gas tax or on other driving-related fees, there is an incentive to drive less. There should be an incentive for people that ride the bus, which there is, because they have less impact on the highways. Raising the general excise tax, making people pay regardless of their use of the product, there is no disincentive at all to use those roads. People need to be clear...people watching this and people in the community, this is not a magic bullet. We raise taxes to fix roads. It is a grand plan. The congestion that is in our community today is by and large a state highway issue. The Kapa'a, Kūhiō Highway, and around the island are primarily state highway issues and these are not state highway funds. We have to lean on our legislators. It is disappointing that they have not stepped up to the plate on this better than they have and they

have not protected our income from the TAT. I will hold my remarks if I have any seconds left. Thank you.

Council Chair Rapozo:

Councilmember Yukimura.

Councilmember Yukimura: Taxes “well spent”—please hear that part—“well spent” are an investment in the future. We need to invest in the future: we need to repair our roads; we need to reduce traffic congestion; we need to be fiscally responsible; and we need to be responsible for our infrastructure and do all of this in a fair way. I think this idea of using our excise tax power primarily for transit, but also for repair, plus having the users of the roads pay their fair share will be the way to better our community. Bus expansion will help the State highways because it will contribute to reduce traffic, so we cannot do it without the other. Counties and state have to work together. We are inextricably tied together, so we cannot say, “Well, it is the State’s responsibility,” but nor can we say, “Well, it does not matter what the State does; we will just do our own thing.” It does not work that way because we have to work together. But we also have to work together towards good policy and that means policy that actually reduces congestion. I think everything that I am learning is saying that the biggest way to influence congestion is mode shift and if we do that, we will see results. A functioning land transportation system benefits everyone. We know what it is like when we are stuck, but it is not just about an inconvenience. For some like the business community, they have to have the ability to move on the roads. For people who have to go to work, they have to be able to get to work. It is a really essential part of life here, our land transportation system. That is why we have to figure out how to make it work well. I think we are going to need extra money to do that, but who pays? It has to be done fairly.

Council Chair Rapozo:

Councilmember Kaneshiro.

Councilmember Kaneshiro: When we talk about fiscal responsibility, I think fiscal responsibility does not only mean cutting costs and trying to budget as tight as possible. It also means looking and seeing if we have a problem. Right now, it is pretty clear that we do have a problem. Our infrastructure is way underfunded. Fiscal responsibility means that we need to understand, see, and recognize that we have a problem and do something about it. The other way would be to just keep kicking the can down the road and maybe our highway liabilities will be two hundred million dollars (\$200,000,000) in ten (10) years or something and we will say, “Well, we do not want to raise taxes. We know it is a problem, but we do not want to address it because we do not want to raise taxes.” For me, it is never an easy choice to raise taxes. We have to look at what the problem is. Are we seriously underfunded on our highways? What is the solution? I think budgeting one million two hundred thousand dollars (\$1,200,000) a year is never going to get us to the type of road we need. It is probably only going to get worse. We are probably not even close to just maintaining the ones that we have, so it is really is a tough decision, but it is a quality of life decision also. Do we want to not raise taxes, keep the roads the way it is, and have it continue to get worse or do we want to bite the bullet now and try and make improvements. Ultimately, we can kick the bucket down the road, but someone is going to have to pay eventually. Is it the next

generation? Do we push it off to the next generation? I do not know. The roads are not going to get better without money and money is not going to just fall on us. It is a tough decision either way. Kicking the can down the road is kind of an easier way out, which we really have to put our feet down and say, "Hey, what do we want and what do we want our future to look like? Do we want to keep roads that have holes because we cannot afford it or do we want to make steps towards improving the quality of life for everyone?"

Councilmember Kuali'i: I have to agree with Councilmember Kaneshiro. In my notes here I have "being fiscally responsible" and "fiscal accountability," which for us as seven (7) Councilmembers is about the budget where we get to do that every year and do appropriations throughout the year. That means giving the Administration, and we play a role in that by setting the budget, to reduce expenses where we can. To continue to deliver the critical, necessary services that the citizens require and demand, but to do that more efficiently by reducing expenses. The other side of that is managing our revenues. We have to make sure, like Councilmember Yukimura was also saying, that taxes are done in a fair way so that we have the necessary amount of moneys to deliver to our citizens what they expect and need. So managing revenues and spending wisely—of course living within our means. That is what we all said throughout this. I want to thank Councilmember Yukimura for putting forward some alternative ideas that are similar to what I have been thinking about as well in my comments with regards to this full package of potential GET revenues and what they could be spent on. I talked about looking at this as its own little budget and differentiating between what are the things that we absolutely have to do and what are the things that is not as critical or could be paid in a different way from CIP bond float or whatever in a different way of investing into those improvements over time. For the roads and bridges, I see that because of the backlog as being a critical part of that, so I think we do have to balance and look at the possibility that we may need to have a GET, a smaller amount than this one-half percent (0.5%), but we have to at least consider it. That is our fiduciary responsibility, which is to look at the numbers carefully and to consider what might need to be. I am looking forward to pursuing some possibilities further and hearing more from the Administration on their targeted relief ideas. There is still a lot of work to be done and I think we all have to be open-minded about what our responsibility is in doing this job. We cannot just avoid taxes because "taxes" is a bad word and because of elections. We have to do the smart thing and the right thing, and I intend to do that. I am not clear yet, but I think we have more to learn and more to put forward. Thank you.

Council Chair Rapozo:

Councilmember Chock.

Councilmember Chock: Thank you so much. I just want to thank the Administration for responding to our requests to provide a clearer plan. I think that there is more work to be done and I am looking forward to that, particularly in the questions about how do we maintain and sustain in the long run where we need to go with our roads and our bridges. I also would like to hear more additional ways that we can take care of those who will be most impacted or harshly impacted by these increases, whether it would be a different percentage rate and some of the incentives that have been mentioned, but even how it is we might altogether not tax

those who just cannot handle any increase. For me, the last portion is really about the question about how do we determine that rate of transition for any community to move in any direction of a different mode? What does that look like and how does that apply to Kaua'i? I think when we plan out where we want to be by 2035, that would be a determination of what percentage we should go towards uses of the pie that we have been talking about. I am looking forward to hearing more about the Multimodal Plan and how those figures were attributed to where we are headed. Thank you, Chair.

Council Chair Rapozo: Thank you. Anyone else? Going once, going twice. Okay. This is just the first reading. We have got a lot more opportunities to get information and discuss it, but I have some serious concerns. I guess what I heard today, I get the feeling like we are trying to vilify the people who have cars and choose to drive, and that is simply not the case. Providing roads and transportation for our citizens, our residents, is our core function. I get kind of concerned when we start saying that they are the cause of the damage. No, that is just the cost of doing business as a county and we have to fix that. The other thing that bothers me is that we did not get here overnight with the roads and bridges, but if you look around and what at I will call an "amenity," the nice things that we have been doing; yes, we have done some nice stuff like roundabouts, sidewalks, bike paths, medians, and planters. We have done a lot of things to make this place look nice, at the expense of our bridges and roads. That is the frustrating part for me. How do I explain that to the constituent, as I said last week, "Now you are going to charge me because you did not do your job?" I do not want to hear that we do not have money because every year this Council provides funding for road repair. We went for a span of years without paving a single road, so it was not because the money was not there; it is because we could not manage it, for whatever reason. Now we are going to just toss more. Sometimes it is not just about the money. It is having the structure of government and leadership in there that can manage this kind of money. That is what scares me. We are talking about two hundred fifty-five million dollars (\$255,000,000) over the next ten (10) years. We cannot just put that into a savings account and wait until we are ready. No, that is not what we do. We do not tax people just because we can. I look at this list and there are a lot of things that I agree that we need...centralized vehicle and equipment repair shop, seventeen million dollars (\$17,000,000)...do we need that now considering we have all of these problems? I do not think so. The personnel cost? Yesterday I met with a former councilmember, but I am not going to mention his name, who is a lifelong resident and told me, "Mel, you folks are in such a wonderful position because you have an opportunity to create the future of Kaua'i's transportation system with this GET." Properly leveraged against federal money—I asked Scott to do some numbers, but if we leveraged just twenty-five percent (25%) of that money with federal money, that gives us three hundred eighteen thousand dollars (\$318,000). If we could manage to get half of our GET funds leveraged with federal money, that takes it to six hundred thirty-seven million five hundred thousand dollars (\$637,500,000) over the ten (10) year period. You tell me we cannot fix our roads and improve our transportation systems for everybody with that? That is what I am not seeing in this. I am seeing this short-term thinking, "We need a facility for our maintenance shop," but what I am not seeing is how we are going to take care of the drivers. It is great to have advocates for the people who ride the bus, bike, and

walk, but I am an advocate for the people who have cars and trucks like myself. My lifestyle does not allow me to catch a bus. Believe me, the circle of influence and friends that I have agree that they are not going to ride the bus. I do not care if the bus comes every ten (10) minutes because they have to do too many things during the day or maybe they have too many jobs or maybe their jobs goes into midnight or whatever the case is. To get my support on this when the time comes, we have to have more specifics. We cannot just have the general two hundred fifty-five million dollars (\$255,000,000) and, "Do not worry, Council, we will use it appropriately." I understand that the Council will dictate even the percentage. We determine the one-half percent (0.5%) of GET...that will be determined by the bill or the law, but how those moneys are spent will come out of the budget process. It really does not matter what we say today or leading up to the vote, because at the time that Council and that Administration for that year will determine where the money goes. I am getting a little concerned because of what I read earlier. We really want to utilize these funds and these programs to get people out of cars and put them on bikes and buses because I do not think we should be taxing people. If they are going to paying the tax, everybody deserves to have that benefit. My time is up. The motion is to receive.

Councilmember Yukimura: I would like to say something.

Council Chair Rapozo: How much time does Councilmember Yukimura have left?

Councilmember Yukimura: This is my second time.

Council Chair Rapozo: We will see how much time you have left because BC needs to do a tape change.

Councilmember Yukimura: I just want to make it clear that we are not talking about people having to get out of their cars. We are just talking about making modes that are going to get cars off the road because people who want to use these modes are going to be able to use them, whether it is the bus, walking, or biking. The end result is that the roads will be better for those who are driving their cars. It is a "win-win" and it is the main way, the main solution to solving our congestion problem, because we cannot keep building roads as we have seen on O'ahu. It does not solve the congestion problem. I think some of the side roads and some of the ideas of linking neighborhoods in other ways than the main highway can be a very good piece of the puzzle. Thank you.

Council Chair Rapozo: With that, the motion is to receive.

The motion to receive C 2015-311 for the record was then put, and unanimously carried.

Council Chair Rapozo: We will now break for lunch and be back at 1:45 p.m. for the public hearing.

There being no objections, the meeting recessed at 12:42 p.m.

The meeting reconvened at 1:48 p.m., and proceeded as follows:

Council Chair Rapozo: We are back from our lunch break. Can you read the next item, please?

C 2015-312 Communication (11/24/2015) from the Hawai'i State Association of Counties (HSAC) President, transmitting for Council consideration the following proposals to be included in the 2016 HSAC Legislative Package, which were approved by the HSAC Executive Committee on September 11, 2015 and November 23, 2015:

2016 HSAC LEGISLATIVE PACKAGE:

1. A Bill For An Act Relating To Zoning (Proposed by the County of Kaua'i)
2. A Bill For An Act Relating To Tort Liability (Proposed by the County of Kaua'i)
3. A Bill For An Act Relating To Mopeds (Proposed by the City & County of Honolulu)
4. A Bill For An Act Relating To Counties (Proposed by the County of Maui)
5. A Bill For An Act Relating To Public Agency Meetings And Records (Proposed by the County of Maui)
6. A Bill For An Act Relating To Identification Cards For Persons With Disabilities (Proposed by the County of Maui)
7. A Resolution Requesting The Hawai'i State Legislature Urge Hawai'i's Congressional Delegation To Propose And Pass An Amendment Clarifying That Corporations Are Not People With Constitutional Rights, And That Unlimited Campaign Spending Is Not Free Speech (Proposed by the County of Hawai'i)

Councilmember Kualii moved to receive C 2015-312 for the record, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? Councilmember Yukimura.

Councilmember Yukimura: Just a point of clarification, why is this a motion to receive?

Council Chair Rapozo: There is a resolution coming up later.

Councilmember Yukimura: Okay. Thank you.

Council Chair Rapozo: Any other discussion? Public testimony?
Seeing none, this is a motion to receive.

The motion to receive C 2015-312 for the record was then put, and unanimously carried.

C 2015-314 Communication (12/02/2015) from the County Engineer, transmitting for Council consideration, proposed amendments to Ordinance No. B-2015-797, as amended, relating to the Capital Budget of the County of Kaua'i for the Fiscal Year 2015-2016, by revising the amounts estimated in the Bond Fund to appropriate funds to provide the additional required funding for the Hanalei Baseyard Fuel Tank Project. (*Hanalei Baseyard Fuel Tank Project – \$40,000*): Councilmember Kuali'i moved to receive C 2015-314 for the record, seconded by Councilmember Kagawa.

Council Chair Rapozo: Any discussion? Public testimony?

The motion to receive C 2015-314 for the record was then put, and unanimously carried.

Council Chair Rapozo: The next item is C 2015-315, but we will do that after the Executive Session item. Can we go to the legal documents, please?

There being no objections, C 2016-266 was taken out of order.

(*Councilmember Yukimura is noted as recused.*)

LEGAL DOCUMENTS:

C 2015-266 Communication (10/01/2015) from the Director of Parks & Recreation, recommending Council approval of a License Agreement with Boys & Girls Club of Hawai'i, a non-profit Hawai'i corporation, for three (3) portables and a portion of the grounds immediately surrounding the portables located at the Kaua'i War Memorial Convention Hall in Līhu'e, Kaua'i, Hawai'i, being a portion of Royal Patent 4480, Land Commission Award 7713, Apana, Part I to V. Kamāmalu, to be used for youth-related activities in the Līhu'e area.

- License Agreement

Councilmember Kagawa moved to approve C 2015-266, seconded by Councilmember Kuali'i.

Council Chair Rapozo: Discussion?

Councilmember Kuali'i: I have a question.

Council Chair Rapozo: Okay. I will suspend the rules with no objections.

Councilmember Kagawa: Should we amend as well?

Council Chair Rapozo: I am not sure. Is there going to be an amendment?

Councilmember Kagawa: Do we want an amendment before he talks?

Council Chair Rapozo: I am not sure if an amendment...is it a new legal document or is it an amended legal document?

Councilmember Kualii moved to amend the Boys and Girls Club of Hawaii License Agreement as circulated, seconded by Councilmember Kagawa.

Council Chair Rapozo: Thank you.

Councilmember Kualii: Thank you, Mauna Kea and Lenny. Thank you for the answers to our questions and for incorporating some of the changes I suggested and asked for. The one that I see was not incorporated, and I just want you to point out to me where it already exists in the Agreement, is having to do with the termination clause that would allow either party to terminate the License without cause, and I suggested a three (3) to six (6) month notice, but I do not know what already exists. While you are finding that, I will just say that I asked about the nondiscrimination clause language on page number 3, paragraph 2, that with a string of classes of nondiscrimination, such as sexual orientation, national origin, age, race, color, religion, or handicap, but that they also include gender identity, and that is one of the changes that they have included. I also asked that they restrict the licensee from subleasing, and they also made that change. The other change I noticed that they made was just to correct the expiration date if you will, the end date, from June 31, 2025 to May 31, 2025. Did you find the termination clause?

There being no objections, the rules were suspended.

Mr. Trask: For the record, Mauna Kea Trask, County Attorney. If you look at paragraph number 15, page number 5, it says, "Licensee shall at the end of said term, or any sooner termination of this License, peaceably surrender the possession of the premises to the County; provided..." Then it follows...

Councilmember Kualii: In essence, it looks like there is not anything specific that gives a period of...what I had suggested here was three (3) to six (6) months' notice so that if the County was to terminate the License, that the Boys and Girls Club would have a long period of time to adjust to that. This other one, number 15, just talks about fifteen (15) days.

Mr. Trask: Yes, if it terminates sooner. There is also a thirty (30) day provision. If you look at paragraph 18, page number 6, the License is revocable, so this License is for a term of ten (10) years. Again the ten (10) years was requested for by the Boys and Girls Club in order to allow them greater and broader access to grants to become self-sufficient in the prosecuting of their *kuleana*. It is for that ten (10) year term, and really it is a permissive License for the Boys and Girls Club to stay there and it is a very secure license; only revocable upon a failure of them to observe any of the terms, covenants, or conditions herein. Again, it is the Boys and Girls Club. It is for the kids. They are right there by the Convention Hall right now, near the baseball field. In speaking with, and Director Lenny Rapozo can speak on his own behalf, but we found that thirty (30) days in there...it is very unlikely that it will violate any covenants or conditions herein. If there is a violation within thirty (30) days...likely, the County would not be so strict. They probably would work with them and allow them time to resolve it or cure it, so we just thought that in a way it almost makes it less secure to put in specific terms for it to be revoked and give them notice. We kind of weighed the policy calls and we made the changes and think they were appropriate. By the way, the Boys and Girls Club were happy to make these changes. They have a new nondiscriminatory policy that is very expansive, so we just thought that (inaudible). It is a really good license for them and for the County in helping the kids and the families who need this service.

Councilmember Kualifi: Thank you. I accept your answer. That is fine. So that was it.

Council Chair Rapozo: Any other questions for Parks or the County Attorney? If not, thank you. Do we have anybody wishing to testify on this matter? Seeing none, I will call the meeting back to order. Further discussion?

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kualifi: I just wanted to thank them for considering my requests and for making that work by amending the License. Thank you.

Council Chair Rapozo: Any other discussion? If not, the motion is to amend.

The motion to amend the Boys and Girls Club of Hawai'i License Agreement as circulated was then put, and carried by a vote of 6:0:0:1 (*Councilmember Yukimura was recused*).

Council Chair Rapozo: We are back to the original motion of the agreement. Any further discussion?

The motion to approve C 2015-266 as amended was then put, and carried by a vote of 6:0:0:1 (*Councilmember Yukimura was recused*).

Council Chair Rapozo: Let the record reflect the absence of Councilmember Yukimura. She is recused from this item. Can we get her back in the room and go to the next item, please?

C 2015-316 Communication (11/23/2015) from the County Engineer, recommending Council approval of a Limited Right-of-Entry Permit with the Department of Hawaiian Home Lands (DHHL), to allow for the removal of approximately five (5) cubic yards of sand from the Anahola river mouth area situated at Tax Map Key (TMK) Nos. (4) 4-8-012:010 (por.), (4) 4-8-018:028 and 029 (por.), and (4) 4-8-011:001 (por.), for the filling and placement of sand bags to repair erosion on 'Aliomanu Road in Anahola.

- Limited Right-of-Entry Permit

Councilmember Kualii moved to approve C 2015-316, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? I want to make sure the Councilmember Yukimura has a chance to pose questions if she has any. Is Councilmember Yukimura coming? If not, let us go to the next item for now.

Mr. Sato: We are on the top of page number 5, Claims.

CLAIMS:

C 2015-317 Communication (11/24/2015) from the County Clerk, transmitting a claim filed against the County of Kaua'i by Maria Susan Ohlen, for personal injuries, pursuant to Section 23.06, Charter of the County of Kaua'i: Councilmember Kagawa moved to refer C 2015-317 to the County Attorney's Office for disposition and/or report back to the Council, seconded by Councilmember Kaneshiro, and carried by a vote of 6:0:1:0 (*Councilmember Yukimura is noted as excused*).

C 2015-318 Communication (11/24/2015) from the County Clerk, transmitting a claim filed against the County of Kaua'i by Damien Freitas, for personal injury, pursuant to Section 23.06, Charter of the County of Kaua'i: Councilmember Kagawa moved to refer C 2015-318 to the County Attorney's Office for disposition and/or report back to the Council, seconded by Councilmember Kaneshiro, and carried by a vote of 6:0:1:0 (*Councilmember Yukimura is noted as excused*).

(*Councilmember Yukimura is noted as present.*)

Council Chair Rapozo: Okay, we are now back to C 2015-316. Councilmember Yukimura, I do not know if you had any questions. There is a motion to approve and a second.

Councilmember Yukimura: I have a question for Mr. Dill.

Council Chair Rapozo: Okay. Is Mr. Dill here? If not, then we will move on and come back to C 2015-316. This is for the Limited Right-of-Entry Permit for Anahola. Mr. Moule can answer the questions. I will suspend the rules with no objections. Councilmember Yukimura has some questions.

There being no objections, the rules were suspended.

Councilmember Yukimura: Hi Michael. Thank you. I do not have any problems with this. It is just that it is related to a question that came up recently about our obligation, the County's responsibility to clear river mouths. I guess we are taking sand, right? We are getting permission from the Department of Hawaiian Home Lands (DHHL) to get sand to fill sandbags that will fulfill our responsibility of protecting 'Aliomanu Road. Is that the basic understanding?

Mr. Moule: For the record, Michael Moule, Chief of the Engineering Division for the Department of Public Works. Yes. The purpose of this Limited Right-of-Entry that requires this indemnification clause is so that we can take sand from the river mouth. It is not very much sand. We are talking about four (4) sandbags that are something like four (4) feet by four (4) feet, or five (5) feet by five (5) feet, but maybe ten (10) cubic yards of sand at the most, something like that. It is a relatively small amount that we need to use to stabilize one area of 'Aliomanu Road until which time we can come in with the long-term project, which I think has been discussed here in this room earlier this year, and we are moving forward with that as well. It is going to take some time because we want to make sure that the road does not further deteriorate.

Councilmember Yukimura: Good. That sounds right. Because DHHL is the landowner, they own the sand essentially.

Mr. Moule: I do not know if they own the sand, it is more that they own the land, and we have to get a right-of-entry to get onto the property. For them to allow us the right-of-entry, they want us to indemnify them over any damages.

Councilmember Yukimura: Of course.

Mr. Moule: Yes.

Councilmember Yukimura: I heard recently in a statute that I think was cited, giving the counties the responsibility for clearing river mouths and I was just wondering if that is a source of sand for needs like this.

Mr. Moule: It could be. We do clear river mouths at times. One of the things that DLNR prefers is not to move sand from beach-to-beach. They like the sand to come from certain beaches. At times, we can get permission to do that, but generally speaking, we try not to do that. In this case, the volume is so low that it makes sense just to have to contractor right there fill the bags and put it right on site. That is what DLNR prefers anyway.

Councilmember Yukimura: I have other questions, but they are not exactly about this project. Thank you.

Council Chair Rapozo: Any other questions? If not, thank you very much. I will call the meeting back to order.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to approve C 2015-316 was then put, and unanimously carried.

COMMITTEE REPORTS:

PUBLIC WORKS / PARKS & RECREATION COMMITTEE:

A report (No. CR-PWPR 2015-17) submitted by the Public Works / Parks & Recreation Committee, recommending that the following be Received for the Record:

“PWPR 2015-09 – Communication (11/05/2015) from Council Chair Rapozo, requesting the presence of the Director of Parks & Recreation, County Engineer, and the Planning Director, to provide a briefing on the work performed adjacent to the Ke Ala Hele Makalae Multi-Use Path and Kuna Bay,”

Councilmember Chock moved for approval of the report, seconded by Councilmember Kualii.

Council Chair Rapozo: Discussion? Public testimony? Okay, the rules are suspended.

There being no objections, the rules were suspended.

Mr. Taylor: Chair and Members of the Council, my name is Ken Taylor. What I want to bring up here is the way this was noticed last week. I think it was improperly noticed or inadequately noticed. Since the letters from the State not only referred to the grubbing, but also the work that was done on gravesite, I really believe that the fact that the gravesite was worked on, it should have been mentioned in the agenda announcement because I think it has been a while since I read the Sunshine Law, but I think it requires that there be adequate information put forth in the agenda item to let people know and understand completely what is being discussed. I think there would have been a lot more people here on that issue if it had been properly noticed. So I hope in the future we can make better notification of those issues. Again, I am still very disturbed about what has happened down there and you can call it a mistake if you want, but the department head, in my opinion, the first thing that they should do when they get appointed would be to look at all federal, state, and county rules and regulations that relate to the work that they are in charge of. If that was done and understood properly by the department head, this kind of thing would not have happened without a proper permit. I do not know how much the work cost to get it done in the

first place, but there was discussion of another seventy-five thousand dollars (\$75,000) to restore the area, so it could easily be a one hundred fifty thousand dollar (\$150,000) charge to the taxpayers for this mistake and for this department head not to be with some time off or removed from his position is really wrong. Anyway, thank you for the time.

Council Chair Rapozo: Thank you. Anyone else? If not, the meeting is called back to order. Further discussion? The motion is to approve.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion for approval of the report was then put, and unanimously carried.

BUDGET & FINANCE COMMITTEE:

A report (No. CR-BF 2015-39) submitted by the Budget & Finance Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2602 A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-796, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE CRIMINAL ASSETS FORFEITURE FUND (*Kaua'i Police Department, KPAL Youth Center/Interim KPD Training Facility – \$300,000.00 (Operating Budget)*),”

Councilmember Kuali'i moved for approval of the report, seconded by Councilmember Chock, and unanimously carried.

A report (No. CR-BF 2015-40) submitted by the Budget & Finance Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2603 – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE GENERAL FUND CIP (*Kaua'i Police Department, KPAL Youth Center/Interim KPD Training Facility – \$300,000.00 (CIP Budget)*),”

Councilmember Kuali'i moved for approval of the report, seconded by Councilmember Chock, and unanimously carried.

A report (No. CR-BF 2015-41) submitted by the Budget & Finance Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2605 – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE DEVELOPMENT FUND CIP (*Coco Palms Resort Development Use Permit Conditions – \$110,000.00*),”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Chock, and unanimously carried.

COMMITTEE OF THE WHOLE:

A report (No. CR-COW 2015-15) submitted by the Budget & Finance Committee, recommending that the following be Received for the Record:

“COW 2015-08 – Communication (12/01/2015) from Councilmember Chock, requesting agenda time to allow David Mora, State Liaison for the International City/County Management Association (“ICMA”) to give a presentation on the overview of the council-manager system of government, best practices, costs and benefits, and suggestions on a transition to a council-manager system for the County of Kauai,”

Councilmember Yukimura moved for approval of the report, seconded by Councilmember Chock.

SCOTT K. SATO, Deputy County Clerk: Chair, there is one (1) registered speaker for this item, Glenn Mickens.

Council Chair Rapozo: Thank you. Mr. Mickens, please come up.

There being no objections, the rules were suspended.

Mr. Mickens: For the record, Glenn Mickens. Once again, I congratulate Councilmember and Committee Chair Chock for having International City-County Management Association (ICMA) Representative Mora come to Kauai to explain what a county-manager style of government is. I felt that Mr. Mora did a superb job with his presentation and answering all questions posed to him by the Council. For those of us who have worked so hard to get this issue activated for many years to get it on the ballot for an up or down vote, we believe that Mr. Mora’s presentation made a giant step forward towards making that happen. A few members from the public expressed concerns that if a person from somewhere other than Kauai were hired by our Council to be the manager, that person would not know the culture and history of our island. Remember that the Council, along with the elected Mayor, who sits as one of the voting members of that

body, directs the manager to do whatever needs to be done. Thus, they as a body know the culture of our island and make sure that the manager is well-briefed on my sensitive matters that may arise. The bad situation that recently came up at Donkey Beach, which Ken was talking about, regarding grubbing and grading would have never happened with the council-manager style of government since communication from the mayor and council to the manager would have been done before any work was done. The Kilauea Gym fiasco with the leaking roof would not be going on for twenty-three (23) years, costing taxpayers hundreds of thousands of dollars in repairs, consultants, and legal fees. A manager would be fired if the situation were not rectified. The Police Commission versus the Mayor issue regarding who has the power to discipline the Chief would not be ongoing in the courts after two (2) or three (3) years with a manager heading the government. The manager would not be the magic bullet to solve all of this island's woes, but he would certainly bring transparency, accountability, and efficiency to our government, which we have very little of now. With so many other municipalities having success with this system, what do we have to lose by trying it? Mel, that was my testimony. "Da Shadow" could not be here, so he gave me his testimony, so would I be able to come back for another three (3) minutes? Okay, I will come back.

Council Chair Rapozo: Okay. Anyone else wishing to testify on this? Please come up.

Mr. Taylor: Chair and Members of the Council, my name is Ken Taylor. I, too, want to thank the Committee for having brought Mr. Mora here and I think it was a really good presentation. I hope all of you benefited from it. The other question I have and concern is that because these Committee Reports are not available on the website as other items on the agenda are now, in the past, we have always been told that we could not have a copy of this report until after it was completed or after you blessed it or approved it, and now they say, "Well, it has been dealt with, so you have to pay for it." I think that is really wrong. I think that this agenda item should be available as a draft, same with the minutes. I think it is really wrong to hold minutes and until after you have approved them. I see no reason why all of these reports can be marked "draft" and be able to be brought down with the agenda like everything else. If it takes a change in some policy then do so, but to hold the information back from the public is wrong and I think it is really important that when the public wants to participate, they should be able to reference any item on the agenda and they should not have to pay for those documents at that time. Thank you.

Council Chair Rapozo: Thank you. Anyone else wishing to testify?
Mr. Mickens.

Mr. Mickens: For the record, Glenn Mickens. Thank you. This is from Jerome Freitas, "Da Shadow." I hope you people really appreciate him as much as I do. I think he is doing an unbelievable job and spending his time and his money, driving all over this island and getting paid nothing for it, and doing everything that he can just to see that the safety of the community is taken care of. He gets bundles of E-mails and phone calls. Anyway, he could not be here today, so he asked me to read this letter, so I will see if I can do a good job for him: "Good

morning, Council Chair Mel Rapozo, Vice Chair Ross Kagawa, and Honorable Members of the Kaua'i County Council. For the record, let me reintroduce myself. My name is Jerome Freitas, also known as 'Da Shadow.'" I am sure you all read his column in the newspaper. "Today I come to your Chambers to talk to you about the office of the county manager. I firmly believe that this system is good for all people of Kaua'i. I have been voting on Kaua'i since 1964 because of the system I have and acquired the right to voice my opinion the good, old democratic way. I have been following politics for most of my adult life, from the 1960's. The politics then is so much different from the politics today. We had no problems with our elected officials then; the politicians then listened to the people and the voters. Today government has changed; not for the good, but for the worst. All branches of government have certainly changed from the federal to the state, and even to the county. Elected officials in all forms of government must remember that you were elected to that office to represent the people in all decisions of lawmaking in the best interest all of the people. As you may well know, the voters that go to the polls are more educated today than the voters of the past. The voters of today are aware of the politicians they voted for. The politicians today must certainly be aware of what they do and how they represent their constituents. In conclusion, I would like to say to all Members of our distinguished Kaua'i County Council that the job of the county-manager be put on the ballot and let the voters decide the democratic way. *Mahalo nui loa*, Jerome Freitas, also known as 'Da Shadow.'" He has one hundred (100) to two hundred (200) pictures and I know you cannot look at all of them, but this is just one of the pictures that he goes around taking these shots of signs that have fallen over, fences that are a hazard, and guardrails that are knocked down and stuff. He takes all of these pictures on his own time and his own money and he just wanted to brief you on that. He takes these things to the Mayor's Office continually, trying to see when they can be fixed. Sometimes, they just dead-end him and it never gets taken care of for two (2), three (3), to four (4) years. He is just asking that anything you can do to help him take care of these things would be greatly appreciated. Thank you very much.

Council Chair Rapozo:

Thank you, Glenn. Next speaker.

Mr. Bernabe:

Matthew Bernabe for the record. Good afternoon. I just want to keep it real simple. Let us go out there, learn what they have learned already because it is available knowledge, implement best practices, create the language and standard so that it is enforceable, save on the frontloading, and still retain that ten percent (10%) that they sell. Remember, the guy who put on the show there, he, himself said that it does not mean it works. I do not know how familiar he is with the whole state political machine that we just witnessed last night. To me, let us just work on creating the language and adopting the best practices that they pointed out. Thank you very much.

Council Chair Rapozo:
meeting back to order. The motion is to approve.

Thank you. Anyone else? If not, I will call

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to approve the report was then put, and unanimously carried.

A report (No. CR-COW 2015-16) submitted by the Budget & Finance Committee, recommending that the following be Received for the Record:

“COW 2015-07 – Communication (11/10/2015) from Council Chair Rapozo, requesting the presence of the Mayor, to provide a briefing regarding the Administration’s plans to establish a General Excise and Use Tax Surcharge for the County of Kaua‘i. The briefing shall include the following:

- A list of proposed projects the Administration has identified that are eligible to be funded with this appropriation, the timeline for each project, and the costs associated with each project.
- Clarify whether the Administration intends to utilize the moneys derived from the tax surcharge to reimburse the County’s General Fund for the amount of subsidy(ies) appropriated for each project.
- Address whether an increase in the General Excise and Use Tax Surcharge can be achieved incrementally or whether Hawai‘i Revised Statutes mandates the increase to occur all at once.
- Identify what elements are required for the County to implement this General Excise and Use Tax Surcharge.
- Include the deadline date by which to accomplish each task,”

Councilmember Chock moved for approval of the report, seconded by Councilmember Kuali‘i, and unanimously carried.

Council Chair Rapozo: Thank you. Next item, please.

RESOLUTIONS:

Resolution No. 2015-64 – RESOLUTION ESTABLISHING CROSSWALKS AND BICYCLE LANES ON PUHI ROAD, COUNTY OF KAUA‘I: Councilmember Kuali‘i moved for adoption of Resolution No. 2015-64, seconded by Councilmember Yukimura.

Council Chair Rapozo: Discussion?

Councilmember Kagawa: I have a question.

Council Chair Rapozo: Okay. Can we get the Department of Public Works up here? I will suspend the rules.

Councilmember Kagawa: I just wanted to see if you folks had a map or something to visually show the public what this Resolution is doing.

There being no objections, the rules were suspended.

Mr. Moule: This is Michael Moule with the Department of Public Works, Engineering Division. There should have been a map and drawings attached to the Resolution. I have a copy and I can pull that out.

Councilmember Kagawa: I just feel like Puhi Road is going to get an extreme makeover and it is going to take some time and some inconvenience, but I am always glad to have the opportunity for you to show them what it is going to look like. If we can just take a quick look, I think it would be worth it.

Mr. Moule: The map that we provided is actually four (4) pages, so it would be a little difficult to show in one shot on the screen.

Councilmember Kagawa: There are four (4) pages of maps.

Mr. Moule: Yes.

Councilmember Kagawa: Can you maybe do a verbal description?

Mr. Moule: Yes, I can do that. It will not take very long. We can put one map on the screen. We have highlighted in green just for the purposes of clarity so you can see it better. It is not going to be colored green, even though that is an option for bicycle lanes. This is showing the end of Puhi Road near Kaumuali'i Highway or at Kaumuali'i Highway for roughly one-fourth of the project. As is typical with bicycle lanes, there is one on each side, one for each direction of travel, on the right side of the general use travel lanes, standard design for implementing bike lanes. It continues like this from here at Kaumuali'i Highway, pass Leleiona Street down to Kaneka Street on this project. Essentially, a road of this nature would typically require paved shoulders for safety, for capacity, for vehicles to pull over, for stability of the road, and marking those as bike lanes is something that is done by many communities in urban settings where people ride bikes. That is part of the general Complete Streets. The Resolution has been passed at the County, so we have opted for marking those shoulder areas as bicycle lanes. You have seen these plans and drawings before. We are coming to you today for the formal adoption of the Resolution to approve them so that they can be striped when we go to contract to construct this next month.

Councilmember Kagawa: So the bike lanes will basically extend all the way down to the entire Puhi Road, including Phase 2?

Mr. Moule: Eventually, that is the plan. Today, this Resolution is only for Phase 1 because we will not have Phase 2 bike lanes ready to construct for several years.

Councilmember Kagawa: I do not know if you have a pointer, but where is the walkway located?

Mr. Moule: I will show you on the map here where the sidewalk is located on this map, relative to the bike lanes. Also, we will go to the next sheet in a moment and show you where the crosswalk is.

Councilmember Kagawa: Can you show the sidewalk on this one?

Mr. Moule: Here is the bike lane there in the *mauka* bound direction and here is the one in the *makai* bound direction away from the highway. The sidewalk is back here, and between the bike lane and the sidewalk would be a parking lane and a grass strip, which allows for driveway aprons to be placed so that we do not interfere with the elevation of the sidewalk, and the sidewalk is back here.

Councilmember Kagawa: Is there a sidewalk only on one side?

Mr. Moule: Yes, the sidewalk is only on the Līhu'e side or the east side, adjacent to the houses. The other side of the road would not have sidewalks.

Councilmember Kagawa: Does the park side already have a sidewalk?

Mr. Moule: No, it is just a grass swale. It is very wide. A portion of the existing grass between the barricades to separate the park and the road is private property that belongs to Grove Farm. We are widening the road partially into the County's portion of that space, where there is still eight (8) feet, if I recall correctly, of remaining grass space on the west side or the Kōloa side. Before you get to the property line for that first part by the park is an additional ten (10) or twelve (12) or more feet to those little barricades that are actually within Grove Farm property.

Councilmember Kagawa: Are those areas that separate the automobile traffic and the bike lane separated by plastic poles?

Mr. Moule: This is a traditional standard bike lane, which is just a white line, similar to a shoulder stripe. It is a little wider stripe on the line, but is essentially the same.

Councilmember Kagawa: So just a lane widening, but not protected by any barriers?

Mr. Moule: No posts or anything else. In fact, raised posts adjacent to traditional bike lanes are not actually recommended by the manuals that we use.

Councilmember Kagawa: But they are all over Honolulu.

Mr. Moule: Well, it is a different kind of facility.

Councilmember Kagawa: Thank you.

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: Are you done with the maps?

Mr. Moule: Do you want to see where the crosswalks are located in the Resolution?

Councilmember Chock: Okay.

Mr. Moule: Can you show the sheet that shows the intersection, Scott? This is the other portion of the Resolution besides the bike lanes, continuing one on each side for the whole lane through the project. At Leleiona Street, because we are putting in a sidewalk we are marking the sidewalk across Leleiona Street along Puhi Road, which is this one here. Because we do not have sidewalks on both sides and people may want to walk down to businesses or residences that are down Leleiona Street or access by Leleiona Street, we are showing a ramp here, a crosswalk, and a little landing over here for people to cross over, and then use the space next to the pavement or the pavement itself to walk along Leleiona Street to their destination.

Councilmember Kagawa: Thank you for your explanations.

Councilmember Chock: I had a question.

Council Chair Rapozo: Okay. Go ahead.

Councilmember Kagawa: It was mentioned previously that the bike lanes are marked by an actual picture of a bike. Is that correct?

Mr. Moule: Yes, it is a symbol that shows a bicyclist and an arrow pointing in the direction of travel. You can see it here, but it is very faint. This is the next segment going down the road towards Kaneka Street. There is the typical bike symbol spaced every several hundred feet. It is a bicycle symbol similar to what has already been put on the state highway recently in a couple of areas with an arrow in front of it to indicate the direction of travel that the bicyclists should ride in the bike lane.

Councilmember Chock: It is in the bike lane, just to confirm.

Mr. Moule: Yes, in the bike lane itself.

Councilmember Chock: How wide is the bike lane?

Mr. Moule: In this case, what we have shown is a five (5) feet bike lane on the east side...sorry, west side here, where there is just a grass

swale or shoulder adjacent to it. On this side, the total width from the stripe to the curb is thirteen (13) feet and six (6) feet of that is intended to be the bike lane and seven (7) feet of that is intended to be a parking lane, so a little wider because it is adjacent to parking.

Councilmember Chock: How is the size determined?

Mr. Moule: The standards for bike lanes are national guidance on this. There are several documents. The minimum is four (4) feet if it is adjacent to just an open shoulder like a grass area, preferably five (5). It is a five (5) feet minimum to a curb face and also five (5) feet into a parking lane, but we try to get at least six (6) or more with that because of the potential danger of car doors and that sort of thing.

Councilmember Chock: So do we have a specific formula for every road that we are striping with bike lanes to figure out how wide we want it and how many bikes it is supposed to hold?

Mr. Moule: Generally speaking, the width is not based so much on how many bicyclists might use it. In very high-volume areas, there might be a situation where you widen it to be twice as wide so that people can pass each other without changing lanes essentially, but for traditional bike lanes and areas where normal bike volumes are expected, which I would expect to be most of Kaua'i, we would use these typical widths for single bicyclists and allow for passing. Passing would occur probably by overtaking bicyclists by merging over into the general use lane and passing and pulling back over. There may be some future locations on the island where because we have more space or other reasons potentially, we might suggest wider widths or some buffers between the bike lanes and travel lanes, but these are about as narrow as we want to have them because we are trying to fit in a relatively small right-of-way accommodations for all modes and making sure we still have that shoulder space that is important for all users. We put up the last drawing here that shows it connecting there at Kaneka Street, so you can see the fourth image in the series.

Councilmember Chock: So we keep the minimum, but there are some streets like Puhi, where there is high industrial traffic. I guess my concern is on the safety that has been brought up previously and I just wanted to be sure that if we are creating these that we are taking that into consideration.

Mr. Moule: Yes, we are. When you look at national guidance on bike lane widths and buffers and the idea of putting posts in these separations, which effectively changes it from being a bike lane to something else; not a traditional bike lane; it varies based on the volume and speed of traffic. In a situation like this when the posted speed is twenty-five (25) and the volume is... I believe Puhi Road is in the ten thousand (10,000) vehicles per day range...I do not have that number in front of me, so do not quote me on that. A traditional bike lane is what has been used in most places. When you start seeing higher speed roadways of thirty-five to forty miles per hour (35-40 MPH) or higher volume roadways, you start looking to put in striped, painted buffers where you might have

two (2) or three (3) feet of a buffer between the general use travel lane and the bike lane or ultimately even something where you have raised posts, curbs, and that sort of thing. That is called a "cycle track" or other facility than a traditional bike lane.

Council Chair Rapozo: So if I am going down Puhi Road, if I am driving off of Kaumuali'i, I turn left and I am heading down Puhi Road; on the left side where the residences are, where the homes are, can you start from the left edge and give me the dimensions of...so from the left edge you said there is a parking lane.

Mr. Moule: Starting at the left edge of the right-of-way...I can pull up the cross-section here in a moment, but I will correct myself if I misstate these as I pull this up, but we have a one (1) foot space between the sidewalk and the property line to allow for a little bit of a buffer so that when we have to maintain it and do anything else with that sidewalk in the future, we do not need to go on private property.

Council Chair Rapozo: Okay.

Mr. Moule: We have a five (5) feet grass strip...I think that is measured from the edge of the sidewalk to the face of the curb of the road, and then we will be a typical curb and gutter, which is a six (6) inch curb and a two (2) feet gutter. From the face of curb including that two (2) feet gutter, there is going to be seven (7) feet wide parking lane. From the edge of the parking lane, there is a six (6) feet bike lane that I mentioned before. Then two (2) eleven (11) feet travel lanes. Eleven (11) feet is an appropriate width for roads with trucks at this speed.

Council Chair Rapozo: You have a seven (7) feet parking lane, but how wide is the bike lane?

Mr. Moule: Six (6) feet. Then two (2) eleven (11) feet travel lanes.

Council Chair Rapozo: Eleven (11) feet is sufficient for those big industrial vehicles?

Mr. Moule: Yes. For those speeds, eleven (11) feet is an appropriate width for trucks. Freeway lanes on the mainland are twelve (12) feet and they carry trucks at seventy-five miles per hour (75 MPH).

Council Chair Rapozo: Yes, but they are not riding next to a bike.

Mr. Moule: Kaumuali'i Highway has eleven (11) feet lanes adjacent to the bike lane there where the speeds are higher than what we have in this case. Then the other bike lane is five (5) feet and there is eight (8) feet of remaining shoulder swale space before the right-of-way line. I can pull up a cross-section to confirm all of this, but that is my memory.

Council Chair Rapozo: Thank you. Councilmember Kagawa.

Councilmember Kagawa: I am just kind of going back and looking at why did we not do Phase 1 all the way down to the first entrance to the industrial?

Councilmember Kagawa: The reason why is because when this project was scoped several years ago and programmed for federal funding, only the portion from the highway to Kaneka Street was at that time a federal aid road, so we could only fund that portion with federal funds. Since that time, we have worked with the State and now Puhi Road is federal aid all the way from the highway to the second entrance to Puhi Industrial, so the second phase of Puhi Road rehabilitation, which is programmed to happen in 2017, would reconstruct the rest of the road and we are looking to put in a similar cross-section with sidewalks and bike lanes. It is different usage, so the design might change a bit as we go down there, but that is the proposed idea at this point.

Councilmember Kagawa: I guess my thought is that when we are at Kaneka, we are so close to get to that Puhi entrance. It is just a little turn, so I was just wondering why we could not get to that.

Mr. Moule: It is all about funding in this case.

Councilmember Kagawa: Thank you.

Council Chair Rapozo: Any other questions? If not, thank you. Anybody in the audience wishing to testify? Mr. Mickens.

Mr. Mickens: For the record, Glenn Mickens. I really appreciate the job that Larry, Mike, and Lee are trying to do with our roads and transportation system, but I cannot understand the work and effort they are putting in to put bike lanes all over our island. What study has been done showing that bikers will ever use these lanes? A physical look at any of these lanes while you are driving would show little or no use of them. By narrowing our driving lanes from twelve (12) to ten (10) feet, we increase potential accidents and exacerbate traffic. Are we basing our installation of these lanes on any factual evidence or just on speculation that we can somehow get people on bikes, no matter how impractical it might be. I am sure you will agree that the aging of Kaua'i is happening, maybe not as old as I am, but they are getting up there. The older someone gets, they are not going to get on a bicycle. That is just not practical. As one of the Members said at one time, in a college town people will get on their bikes and ride. In places like Davis, California, people will get on their bikes and ride across campus and ride around town, and that may be, but this is Kaua'i. You are not going to get people to ride from Kilauea or Waimea to come into Līhu'e to do their shopping. They cannot do it on a bicycle. Let us be practical about this. Let us not just dream that something is going to happen, might happen, and can happen, but is it practically going to happen? Again, I have been in meetings with Larry, Mike, and Lee, and they are doing a heck of a job with their efforts on this thing, but I just do not see why they are pushing these bike lanes. Thank you.

Council Chair Rapozo:
back to order. Further discussion?

Anyone else? If not, I will call the meeting

Councilmember Yukimura:
Mr. Moule?

May I ask the question that Glenn asked of

Council Chair Rapozo:

Which question was that?

Councilmember Yukimura:

How do you know that people will ride bikes?

Council Chair Rapozo:

Does he know that?

Councilmember Yukimura:

I believe so.

Council Chair Rapozo:
one out.

I do not know how anyone can figure that

Mr. Moule: I do not have anything prepared to show you right now, but there are many research studies around the country that show increases in usage by bicyclists when facilities are built. The best example that I am most familiar with is in Portland, Oregon where they increased their number of bicycle facilities in there. Their number of people riding in that community literally increased exponentially; I am not exaggerating when I say that. It is a chart that does not just linear...it is increasing rapidly as they get a critical mass essentially of bicycle facilities in place and people start changing...some people, not everyone. We are not suggesting that people are going to bike from Waimea to Līhu'e on a regular basis, but people might bike from KCC to the apartments at the end of Puhi Road, for example, because that is a reasonable biking distance. We have not done specific...it is very difficult to do that before research in any given community and trying to find the latent demand *per se*, but studies show that when you put facilities in, people do ride. It is not everyone, but some people choose to ride more than before. I have seen it myself since I have been here as the facility was built on the highway and the increasing usage by people of all types like high speed riders and people just looking to go somewhere like to school or whatever. So I see it increasingly, anecdotally of course, but we expect that to take place. We are counting that here in Hawai'i as well, on Kaua'i, so we will be able to get that data after we add more facilities what the increases are and the amount of usage by bicyclists.

Council Chair Rapozo:

Okay. Councilmember Kualī'i.

Councilmember Kualī'i: I just wanted to ask as far as the funding though, part of the reason we got some of this funding was that we told them that we were planning to do complete streets. Was the funding conditional that we...

Mr. Moule: The funding was not conditioned on us doing bicycle facilities necessarily. I think that there are certain standards that have to be followed, including things like putting in paved shoulders when we use federal funds and when you are reconstructing, so the width would be there anyway. There

is no mandate from the feds that bike lanes always be included in a project. They encourage it, but they do not mandate it. I will also add that these bike lanes, in particular and many others on the island, are included in approved community plans. They have been approved by the Planning Commission and the County Council, so that is an important one as well.

Councilmember Kualii: Thank you.

Council Chair Rapozo: Anything else?

Councilmember Yukimura: You mentioned in an earlier presentation that you are doing baseline studies, but you did not do it for Puhi, right? Is it too late at this point because you are under construction?

Mr. Moule: No, we have not done a count of how many bicyclists used Puhi Road before. The before-and-after now is more of an islandwide, how many people are bike commuting overall, which is really what we see, is the most used data in other cities. The data that I talked about from Portland was, "What was the overall usage around the city," not so much how much on this facility. When people look at actual roads, there are market increases when they have done those before-and-after counts. We could potentially still do it on Puhi Road and take a count before that construction actually starts, but we are still in the process of identifying the volunteers that would be needed to do those manual counts because they have to be done manually and we do not have the staff to do the kind of counts that we want to do all over the island. It has been discussed recently at some of the built environment task force meetings and Safe Routes to School meetings of having these before-and-after counts be done in the future.

Councilmember Yukimura: So at some point soon you will be incorporating that idea of taking a baseline before the road is touched for improvements?

Mr. Moule: Yes, most recently we were talking about it with respect to the TIGER grant project. As part of the TIGER grant, it is a requirement from the feds that you do evaluation of how the project affects things. So in that case, we will definitely be taking before-and-after counts. We are not geared up to do that around the island yet, but it is something we all agreed that, "Yes, we would like to do it more than just here," but it is a matter of having volunteers to do that and organizing a system of it as well.

Councilmember Yukimura: Okay. Thank you.

Council Chair Rapozo: Thank you. Any other questions? If not, thank you very much. I will call the meeting back to order. Further discussion? If not, roll call.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion for adoption of Resolution No. 2015-64 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Next item, please.

Ms. Fountain-Tanigawa: The next item is Resolution No. 2015-65.

Resolution No. 2015-65 – RESOLUTION ESTABLISHING A BICYCLE LANE ALONG OLOHENA ROAD, KAWAIHAU DISTRICT, COUNTY OF KAUAI: Councilmember Kualii moved for adoption of Resolution No. 2015-65, seconded by Councilmember Kagawa.

Council Chair Rapozo: Discussion? Public testimony?

Ms. Fountain-Tanigawa: Chair, we have one (1) registered speaker.

Councilmember Kagawa: Chair, do you want to take questions from the Administration first?

Council Chair Rapozo: I do, but I am not sure...

Councilmember Kagawa: I have some questions.

Council Chair Rapozo: Okay. Let us take the Department of Public Works up first, so I will suspend the rules. Do you folks have a map as well? When the maps come across to us, because it is not colored, I cannot tell...that whole bike lane up on the prior screen was not even visible on our copy.

Councilmember Kagawa: If a map is not available, can you do a verbal description?

Council Chair Rapozo: Go ahead, Councilmember Kagawa.

Councilmember Kagawa: Exactly what you asked, Council Chair. I just want to know what areas we are talking about so the public knows. We already had one (1) testimony come in from Lonnie Sykos, who said that he rides a moped and he thinks it is dangerous to designate a bike lane on a road that is so narrow. He said rather work on widening the road first, and then establish the bike lanes.

Council Chair Rapozo: Maybe you can start with a description because I have to believe that anybody looking at this right now cannot tell where the heck that is and that is what we have. Can you describe what is up there?

There being no objections, the rules were suspended.

Mr. Moule: Michael Moule, Chief of the Engineering Division at Public Works. So this is the upper end, the *mauka* end, of the Olohena Road project. In this case, it is very difficult to read in this version.

Council Chair Rapozo: Do we have a version that we can read?

Mr. Dill: Chair, I can tell you that the map that we created and sent has a much better resolution and is much more legible.

Council Chair Rapozo: That is a Google map. If I may real quick, this is what the Resolution says and maybe this is what you can explain: the only thing in this Resolution that references this bike lane is, "A bicycle lane be and is hereby established and made official on the north side of Olohena Road in a westbound direction, from the Malu Road intersection to approximately two thousand three hundred eighty (2,380) feet west of Malu Road, as shown on map Exhibit "A" (3 pages) which is attached hereto and incorporated." That is what is being asked to be approved today. I guess you could start by showing us where the Malu Road intersection is.

Mr. Moule: Here is Olohena Road. This is the roundabout at the bypass. Malu Road is this road here that comes right of the roundabout almost. As you come out of the roundabout, you can take off to Malu Road. Effectively, at that intersection or just above the intersection on the north side going uphill until about right here, just past the middle school is where the bike lane would be. What we did in this case is as we were developing the project, we recognized that there was enough width to restripe the lanes, so there is more room in the uphill direction than the downhill direction so that as bicyclists who ride slower going uphill can be passed by motorists without motorists going over the center line of the road. That is the key here. So about twenty-five (25) to twenty-six (26) feet of width on this road and we striped four (4) in about thirteen (13) feet lanes each, which is not really enough for a motorist and a bicyclist to share the same space without the motorists going over the line. We recommended, which is again a very common practice nationally to move the centerline over a couple of feet, so that in the downhill direction is a ten (10) feet lane, plus a one (1) foot paved shoulder on the side. Bicyclists and motorists share the lane going downhill and bicyclists are going faster in that case, so that is not much of an issue. In the uphill direction where bicyclists would be climbing at four (4), five (5), to eight miles per hour (8 MPH) perhaps and motorists would be going twenty-five (25) if they are going the speed limit and faster if they are not, then there is separation. When a motorist encounters a bicyclist, the bicyclist can be in the bike lane and the motorist can stay in the travel lane and not have to worry about overtaking by going across the centerline. As I think we responded to a request earlier this week, it is possible to achieve a similar design or similar effect with respect to how it is used to not have it designated as a bike lane, just having it be a paved shoulder. In fact, on Mailihuna Road, which is nearby where we just restriped that, we did not mark it with bike lane markings because the width for the shoulder was not consistently

wide enough to meet the standards that we talked about earlier when we were discussing the Puhi Road Resolution.

Councilmember Kagawa: So right after the school, the bike lanes end.

Mr. Moule: Yes.

Councilmember Kagawa: So when you reach there, do you put your bike on the side and stop riding?

Mr. Moule: What we are saying is that when you reach the end of the bike lane, you resort to what you did before essentially, which is share the travel lane, and people use that today. I see bicyclists on Olohena Road. I have ridden on Olohena Road and I try to avoid it when I can because it is a busy road and I would rather not be on a busy road that does not have a shoulder. So it is not that you just stop riding there. In this case, because it does get to the middle school, which is where kids could bike to, that was another reason. The middle school is a major destination on this corridor. After it ends, there is several hundred feet until you get to the four (4) way intersection there, and at that point bicyclists might choose to go to Ka'apuni, Kaehulua, or Olohena. It does not just stop, they would just go back to doing what they otherwise have done, which is share the road, share the lane essentially.

Councilmember Kagawa: So one of the major objectives was to get the kids to school safely, and then get them down safely after school. Is that basically why we have this?

Mr. Moule: Yes. Because of the school being there, this was a major purpose for this. The documents you have been talking about as part of the GE tax discussion talk about adding bike facilities and sidewalks on roads, including Olohena Road, and again the Federal Highways Transportation Plan, as well as the recent Kapa'a traffic solutions document. Long-term, there is a planning document that says this whole road should have shoulders, bike lanes, or even sidewalks. At this point, we did what we could with the resurfacing project to achieve as much as we could.

Councilmember Kagawa: So the intention is not in the future to extend the bike lanes being identified on Olohena Road going through Wailua Homesteads?

Mr. Moule: Again, nothing has been determined. My personal recommendation with respect to Olohena Road the rest of the way would be paved shoulders and probably not designated as bike lanes because in rural settings, we do not typically designate that as marked bike lanes. This area, because it is the access to the school, I would recommend that it be marked as bike lanes, but once you get passed the four (4) way intersection or maybe just to the school we just revert to paved shoulders, if and when that was ever able to be widened to get the shoulders to improve safety for all users.

Councilmember Kagawa: The reason for not designating it for bike lanes on the rest of Olohena is because you do not want to encourage people to use it because it is not safe?

Mr. Moule: It is not that. It is more along the lines of general practice that bike lanes are generally in urban and suburban facility types. In rural settings, paved shoulders are generally what is used, even in areas where there are lots of bicyclists. There are examples of the same idea of linear shoulder on just one side, going up big climbs in Colorado and Utah where there are hundreds of bicyclists that use it, but they do not mark it as a bike lane because it is a rural setting and putting in the markings is a maintenance issue and all those things, so we kept typically reserve designated bike lanes for the most part to urban settings.

Councilmember Kagawa: Very good. Thank you.

Council Chair Rapozo: Can you put your map up on there? The Resolution says on the north side of Olohena Road. Is that what he just said? I thought he just said on two (2) sides.

Mr. Dill: No, just on the north side, on the side opposite the school.

Council Chair Rapozo: Right, the cliff side.

Mr. Moule: He is trying to bring it up. There we go. This is one (1) of three (3) drawings, the lower end by Malu Road at the bottom there and continuing up.

Mr. Dill: Chair, there is a note at the very top that reads "bicycle lane pavement marking." That is where the bike lane is.

Mr. Moule: Yes. As you see here, there is also the shared lane pavement marking in the downhill direction, which supports the existing State law that allows bicyclists to take the entire lane or not keep as far right as practicable as they would otherwise have to when the lane is too narrow to share next to a motor vehicle.

Council Chair Rapozo: There is a difference between a bike lane and a shared lane.

Mr. Moule: Yes.

Council Chair Rapozo: Your Resolution is saying a bike lane.

Mr. Moule: Right, so we are not coming to you for a Resolution with a shared lane marking because putting a shared lane marking in does not require a Resolution because it is just reinforcing existing State law about how bicyclists and motorists interact on roadways, whereas putting in a bike lane

creates a new regulation here, designating that for bicyclists, which requires a resolution.

Council Chair Rapozo: Is that accurate that creating a shared lane does not require a resolution?

Mr. Moule: Yes, State law states that bicyclists are essentially allowed to use the lane, in any case, and not even stay as far right as practicable if the lane is too narrow for a bicycle and a motor vehicle to ride side-by-side.

Council Chair Rapozo: Right. We are not saying that they cannot use the road. I am saying that by us placing a marking on that road, does that not require a resolution?

Mr. Dill: No, it does not. A County ordinance requires specifically for bike lanes that a resolution is required, but not for a shared marking.

Council Chair Rapozo: Okay. From Malu Road up two thousand three hundred eighty (2,380) feet, where does that take you?

Mr. Moule: It takes you a little bit passed the school, probably past the school boundary. It is a little bit hard to tell. If we pull up the Google maps where we put on the aerial image, I can show you best that way.

Council Chair Rapozo: How far up is the school from Malu Road?

Mr. Moule: One moment. What was that exact number again?

Council Chair Rapozo: Two thousand three hundred eighty (2,380) is the Resolution.

Mr. Moule: I can give you a good sense of that in just a moment. Can you click on the "earth" button there so we can see what is what on the aerial image? The bike lane ends at this point right here. It ends about eight hundred (800) feet prior to this intersection of Olohena Road, Ka'apuni Road, and Kaehulua Road.

Council Chair Rapozo: My question was how far up is the school from Malu Road?

Mr. Moule: Go back to the aerial image and I will try to give you a sense. Kapa'a Middle School is here.

Council Chair Rapozo: Where does the bike lane end and the shared lane start?

Mr. Moule: Give me one moment to give you as good of an indication as I can based on the information that I have. It is about right here, so just past the end of the middle school property is where the existing paved surface ended of the extra width and that is where we have chosen to end the bike lane because we ran out of space in this resurfacing project to mark the bike lane. I think we explained in our memorandum that this was an opportunistic movement, because as we do a resurfacing project, we take every opportunity to make improvements for motorists, pedestrians, bicyclists, and everyone. That is what we proposed in this case.

Council Chair Rapozo: So from Malu Road to past the school is the two thousand three hundred eighty (2,380) feet?

Mr. Moule: Yes.

Council Chair Rapozo: Then the down lane from west traveling east towards the roundabout, that you have designated as a shared lane?

Mr. Moule: Shared lane, yes.

Council Chair Rapozo: When was that work done on the both sides?

Mr. Moule: The markings were installed about three (3) months ago.

Council Chair Rapozo: When did you realize that you were supposed to get a resolution?

Mr. Dill: I do not know the exact date, Chair, but it was subsequent to the work being done. I think, as we indicated in our transmittal to the Council, it was an oversight by the Department of Public Works that we did not transmit this to the Council for approval prior to doing the work, so there is nothing I can do at this point except to apologize for not getting that on the Council floor for your consideration prior to. Part of it is because we have not done a lot of bike lanes in the past, so when we brought this bike lane and got it done, as Mike said with the opportunity with the Islandwide Resurfacing project, it just did not catch anybody's eye that this is something that needs to go in front of the Council first. Again, my apologies for that oversight and we will make sure that does not happen again in future.

Mr. Moule: To further answer that question, we identified the need as we were preparing the Puhi Road Resolution that you just heard several minutes ago, and I said, "Wait, we have this bike lane on Olohena Road. We did not get a resolution for that." Again, with resurfacing projects you do not typically need resolutions like you do for reconstruction projects. It was an oversight. We recognized that as we were doing the Puhi Road, it was best to do Olohena at the same time, send it with our apologies, and ask you to approve it.

Council Chair Rapozo: The whole reason we do resolutions is not just to get seven (7) people to say it is okay, but to give the public an opportunity before we do it.

Mr. Moule: We recognize that and we apologize for the oversight. It is that simple.

Council Chair Rapozo: I understand and accept the apology. Any other questions for the Department of Public Works? If not, thank you. Any public testimony? Mr. Mickens.

Mr. Mickens: Glenn Mickens. I am confused. You have a bike path that starts here at Malu Road, goes up two thousand three hundred eighty (2,380) feet, and then it stops—what is it for? There is no bike lane before and no bike lane after. It is supposed to be for the kids' safety to go to school, so are they going to bring their bike to that particular place, ride it up the hill, and do what? It just does not make any sense. If you have a continual bike lane that the kids can ride to school on...or they do not even need a bike lane...you are supposed to watch when kids are riding their bicycles anyway, so they have a right to use the road. But to make something like this, I am just confused why. Why was it done? I do not blame Larry or Mike. I am not saying that they should have gotten a resolution or not, but I am just wondering what the purpose of this thing was for that particular section. Was it mandated? I heard somebody ask the question whether you have to do that to get federal funds or not, but Mike said that it is not contingent on getting that eighty percent (80%) match. Well, if it is not, then why would you do that section? That is my question. Thank you.

Mr. Bernabe: Matthew Bernabe for the record. I do not see any bikes going up that road very much and as far as the school kids, the roundabout is not somewhere we want to encourage them riding bikes, even though they do it. The other thing about the school kids that I want to point out was that did anybody from the Department of Public Works even see if Principal Aiwohi wanted these kids riding bikes? I have a daughter who has gone through the middle school and I will be honest with you that there are some issues at the middle school; that particular one. My daughter is a 4.0 student and there are some issues. I do not even think he wants the bikes. You folks should have asked him. You would be shocked. The other thing is if you are going to make a bike lane that is for commuting from the lower level of Kapa'a to the upper levels of Kapahi, you should be looking over by St. Catherine's. That is the easy grade. If you are going to bring them up that hill and expect commuters to ride that hill...I am born and raised right up the road and that is a burner right there, especially if you are in clothes to go to school and whatnot or whatever you are doing. I am just saying that it is a better way to go up Kapahi and stay on the side of the road all the way. It is an easier grade. The other big point that I want to bring up is that we just got over the first preliminary or second discussions on creation of a GE tax. For the sole purpose of fixing all of these problems that were so beautifully pointed out that we have for maintenance issues, and we are doing things like this? This is why we do not have anything fixed because our priorities are a little messed up. If we have rebar showing on bridges and whatnot, and we are worried about a small section that

does not have a start, an end, and does not really have a function, and I live in the area, does not really have purpose other than the kids walking—it is great for the kids walking, but I hardly see bikes on that road; like you folks think it is being used, but it is not. I am just going to point out that there is some common sense here that that money, even though it is only twenty thousand dollars (\$20,000) for the wasting of the asphalt, the guardrails, or paint—I do not care what it is, but you could have allocated that better to something that we need because we have a crumbling infrastructure. The reality is that we need to get smarter. This is why people want a county-manager because you are just squandering money on things that you think we need. I do not understand it myself. Is anybody else going to talk? I would just like to ramble for three (3) more minutes and sound stupid like this does.

Council Chair Rapozo: I am sure Mr. Mickens wants to speak again.

Mr. Bernabe: Thank you.

Council Chair Rapozo: Do you have more Glenn?

Mr. Mickens: Yes. I appreciate what these guys are trying to do. They allocated a job and they are doing the best they can, but before something is started, you are asking the questions. Just look at the whole picture before we do it. We keep on doing “ready, fire, and aim,” continually doing stuff. Again, all of Olohena—they cannot put the bike path down that the way it is now. It is a very narrow road. There are bikers there and you have to go over the double line coming up or down Olohena. It is narrow and the bike might jump one way or the other. So you do stop...not use it, but they would have to widen the road and everything, so to keep on putting these bike paths every place on these roads and things, as Matthew said, it is very, very unsafe. You are going to pedal up that hill? That is a steep grade. They can walk. I rode a bike and forth through junior high for a long time and I never saw anything such as a bike lane, but you drove along the curbing there and you got there. I am sure these kids can do the same thing, but these kids can walk. I know the kids today basically want a car to get to wherever they are going. They cannot walk a couple of miles to go to school and stuff. Anyway, I just hope we will do a little better job planning and looking at the whole picture before we just go ahead and do it. I do not think anybody would really want...look at a plan such as this and say do it. Thank you.

Mr. Bernabe: Matthew Bernabe for the record. I just really want to reiterate that “holistic thinking” means going and approaching the people that you are going to affect. If you did not walk into Principal Aiwohi’s office and ask him, “Look, as a County, we want to promote bicycle use amongst the kids. Can we get some bike racks? How do you feel about two-thirds of your student body showing up on bikes? Can we facilitate it?” You would be so shocked to know that he probably does not even want bikes. That is what I am saying when we need to be more efficient on how we are spending our money. These are the little things right here. Whatever amount of money that we spend on planning and implementation of this bike path, which I have to be honest, I do not see any difference from before it was paved, so I do not know how much money we spent on it. It does not look like

a designated bike path to me. It just looks like the same old path that the students have been walking up and down, and then they put some paint on the other lane with the bicycle, which people think that they can ride in the middle of the road. Another thing is a lot of these bike riders do not know and ride opposite of the lane, even with the painting. That is my biggest gripe with the bicycles. They are not riding with the flow of traffic, they are riding against traffic. I just want to say in the future...we always talk about seeing the community...this was deliberately to stimulate child bike use on that school campus. I am curious if anybody knocked on Principal Aiwohi's door, call him up, or leave him an E-mail? If you cannot do that simple thing like involve the people that you are engaged with, granted if you are engaged for only one conversation, but the student body is who you are going to target...that is lacking in how we run in this County. I think we need that a little bit. Thank you very much.

Council Chair Rapozo:

Anyone else from the public? If not, Mr. Dill.

Mr. Dill:

Thank you, Chair. Larry Dill for the record. I did want to point out this past Saturday that the Mayor hosted a meeting at the Kapa'a Library for the Wailua-Kapa'a Neighborhood Association. We presented many things and we also touched base on this particular project, as well as our means of implementing opportunistically, as Mike said, these projects when we are doing an islandwide resurfacing project. In this situation, I think the increased cost for pavement markings for this project was about five thousand dollars (\$5,000), and that was enough to accommodate a bike lane and shared markings. Kudos to Mr. Mickens for being here today to make his points known, as well as attending the meeting at the Kapa'a Library, and I think he would even agree that there was strong support for adding these lines, bike markings, and pedestrian and cyclist opportunities. There was a lot of support at a meeting attended by over sixty (60) people at the meeting on Saturday. Thank you.

Council Chair Rapozo:

Councilmember Chock.

Councilmember Chock:

Thank you. I think the message that I am hearing clear is that what we want to see a little more coordination and maybe even upfront or forthcoming bike lanes and we have talked about needs in other areas already. I think for us, it helps us and the community to sort of start to get their mind around what is forthcoming and what it is looking like for specific bike lanes, and then we can start to have that discussion. Along with that is I think some education that needs to go into it. If we are expecting to move more people towards bikes, which was what we talked about today, then there needs to be a safety program. I know there are safety programs, but definitely coordination with those organization that are doing those safety programs for motorists and for bikers in these areas so that we can get people who are going to be using it to know how to use that specific area. I think it behooves a little more responsibility on our end. Those are requests, actually; if we can get some information on what is forthcoming, in terms of the bike lanes and if there are any other bike safety or best practices that were utilized in coordination with the community. Thank you.

Council Chair Rapozo:

Councilmember Kaneshiro.

Councilmember Kaneshiro: My question is what is the bike plan for the area? It is hard for us to approve something where you have the roundabout, but the bike path starts away from the roundabout. What is the plan? If I was to ride a bike, I would only be on the bike path past the roundabout to the school. Where is it going, where are you trying to get, and what is ultimate plan? I do not know if you want to put the map up again, too, or not to help the explanation.

Mr. Moule: Michael Moule. Chief of the Engineering Division, Department of Public Works. I will to explain these documents and some of these things that were listed, but the Federal Aid Highways Transportation Plan 2035 Long-Range Plan includes some of this. The Kapa'a transportation solutions document—there has not been a recently completed East Kaua'i Community Plan like there was here in Līhu'e. As I mentioned earlier, there is a bike map shown in that document that showed the different bike lanes that are proposed, but just to name a few roads that I know in this area have been discussed in these planning documents and in other public meetings to potentially have bike lanes or shoulders, again depending on the context of the road. Olohena Road and Kukui Street, all the way from the highway in Kapa'a Town, up all the way into Wailua Homesteads honestly, not with bike lanes necessarily, but at least paved shoulders. Then Kawaihau Road, also from the highway up to Kapahi Park. While there are paved shoulders on the bypass road for the most part, they are a little bit intermittent because they kind of shoehorned that project, the bypass road, into the existing cane haul road, so they did not use the normal federal aid standards for that road. Mailihuna Road, which we just did a similar treatment on with just a paved shoulder and not a bike lane is also specified in this general vicinity. Going further up field, Kamalu Road in the homesteads and Kuamo'o Road, which is also shown in these planning documents to have future shoulders in these more rural settings. It is essentially all of the busier roads because those are the ones that when you do ride on, it is not comfortable and feels less safe to ride when there are higher volumes of traffic. Bicyclists love the low volume country roads because there is not that much traffic out there and motorists can overtake them easily in the other lane because there is not that much oncoming traffic. All of those roads that I named are roads that have been listed in various documents for adding paved shoulders for bike lanes.

Councilmember Kaneshiro: To follow-up and from my perspective, and I may be wrong, but is it not better to...even if you are just doing the paving and you have the space, you leave it at that and when you are ready to stripe the entire bike lane from a core area that you want, then you do it all at one time so people know? Are we just going to keep patch-working it and eventually it will connect to each other?

Mr. Moule: That is a very valid point and I will mention that Ka'apuni Road is another road that is on that list that I did not mention earlier that is shown to have shoulders recommended in the future. That is a valid point and we do sometimes choose to not mark it as a bike lane and maybe as a paved shoulder for the time being when it is a short distance. In this case, we are looking at almost one-half (0.5) a mile. It connects up to the school. We chose in this case

to show bike lanes on the plan. Again, we should have come here first before we ever did anything, but that was the thinking in this case because it is fairly long and it does connect to the school.

Councilmember Kaneshiro: Was it part of a plan to do it or was it, "Hey, we paved. There is a school there, so let us put the bike lane in." Was it a plan? I think you kind of answered it, but I think it still was just kind of a patchwork.

Mr. Dill: To some degree, you are right. It is a patchwork and we need to do this because we do not have a lot of funds. The Council did pass the Multimodal Plan, as well as the Complete Streets Resolution, so we look for opportunities where we can implement these things when there is an opportunity. By that, we have to sometimes do it in somewhat of a piecemeal way. The bottom line I feel is that by marking it as a bike lane for the people that currently use that road, as opposed to anybody else that will use that bike lane, it is safe for now without the bike lane.

Council Chair Rapozo: Any more questions? Besides the community meeting you had last week, did we have a community meeting to discuss this project?

Mr. Dill: No.

Council Chair Rapozo: Thank you. That is it. I will call the meeting back to order. Any further discussion? There is an old saying that says, "It is better to ask for forgiveness than permission." That may be true if you are an individual and you want to go do something crazy and you rather not ask mommy and daddy if you can; you just want to do it because it is better to ask them for forgiveness later. But when you are dealing with the public: the taxpayers' money, public safety, and something which I consider as serious as this, because if you read all the literature—I was kind of concerned or confused, because the Police Chief did respond with a letter saying that he supported the new painted bike lane, but I could not understand, as a former police officer, how in the world would he support this setup, the structure of this road when you have the bike lane, and you also have a shared path on the other side. Matt, you talked about it and you hit it right on the head. That big sign on the road—the Chief was under the impression that it was just a bike lane and not about the shared thing and I E-mailed him or messaged him and he said that he did support the bike lane, but he wanted to make it clear, and he is very experienced in writing, he said, "It may not be appropriate for a novice going on Olohena Road." He also said, "A painted bike designation value is only in awareness and does absolutely nothing to eliminate the possibility of a vehicle versus pedestrian or bicyclist collision." So I do not know how much information he was provided when he supported the Resolution. My concern is not just the bike lane. My concern is that you coupled a bike lane on a road that I do not believe is really a road that you want to encourage bike riding on, because of liability, number one. That road is narrow and winding. Now you put a bike logo or bike symbol on that road—like you said, Matt, they are coming down the middle of the road because that is what the sign says. You are thinking, "I have to stay on this road because there is a bicycle." These things require resolutions because it

involves public input, community input, safety input, and when you do the work before you do the resolution, you just pretty much forget all about that. That is a really big concern for me. I appreciate the apology, but that does not help the process, so I am very, very concerned. I am not going to support the Resolution, simply because I want to have a safety analysis done of that place before we go and encourage people to ride a bike down Olohena Road or riding up Olohena Road. Again, why would you just build the bike lane, and then it ends? Then what does the bicyclist do? We have to think through those things. If we are going to do something, let us do it right from the beginning. I think that is what Councilmember Kaneshiro was talking about. Let us do it right from the beginning and not "we will get to the rest later" because we never will. That is just my thoughts. Any other discussion? If not, roll call.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion for adoption of Resolution No. 2015-65 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii,	
	Yukimura	TOTAL – 6,
AGAINST ADOPTION:	Rapozo	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: We are going to take a caption break here because we have a certification presentation in ten (10) minutes, so I want to take the caption break ahead of that. I just want to say that as long as we continue to condone that kind of behavior, do not expect it to change.

There being no objections, the meeting recessed at 3:21 p.m.

The meeting reconvened at 4:11 p.m., and proceeded as follows:

Council Chair Rapozo: The meeting is called back to order. Can we have the next item, please?

Ms. Fountain-Tanigawa: We are on the top of page number 8.

Resolution No. 2015-66 – RESOLUTION ESTABLISHING A CROSSWALK ACROSS RICE STREET, LIHU'E DISTRICT, COUNTY OF KAUAI: Councilmember Kualii moved for adoption of Resolution No. 2015-66, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? Public testimony? If not, roll call.

The motion for adoption of Resolution No. 2015-66 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7*,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present) and Councilmember Yukimura was noted as silent, but shall be recorded as an affirmative for the motion.)*

Resolution No. 2015-67 – RESOLUTION CONFIRMING COUNCIL REAPPOINTMENT TO THE KAUA'I HISTORIC PRESERVATION REVIEW COMMISSION (*Althea Kalei Lovell Arinaga – Archaeology*): Councilmember Kualii moved for adoption of Resolution No. 2015-67, seconded by Councilmember Chock.

Council Chair Rapozo: Discussion? Public testimony? If not, roll call.

The motion for adoption of Resolution No. 2015-67 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7*,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion.)*

Resolution No. 2015-68 – RESOLUTION CONFIRMING COUNCIL REAPPOINTMENT TO THE KAUA'I HISTORIC PRESERVATION REVIEW COMMISSION (*Lawrence Chaffin, Jr. – At-Large*): Councilmember Kualii moved for adoption of Resolution No. 2015-68, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Discussion? Public testimony? If not, roll call.

(Councilmember Kagawa was noted as present.)

The motion for adoption of Resolution No. 2015-68 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Resolution No. 2015-69 – RESOLUTION APPROVING PROPOSALS FOR INCLUSION IN THE 2016 HAWAII STATE ASSOCIATION OF COUNTIES LEGISLATIVE PACKAGE: Councilmember Kagawa moved for adoption of Resolution No. 2015-69, seconded by Councilmember Kualii.

Council Chair Rapozo: Discussion? Councilmember Yukimura.

Councilmember Yukimura: Do we have to pass it today? Is there a time limit?

Council Chair Rapozo: Yes.

Councilmember Yukimura: Okay. Then I would like to ask a couple of questions. On the moped one, I want to know the implication of allowing mopeds to be included in the definition, whether that is going to govern everything that a moped can do and whether that means they can be on the road as a car in every circumstance, because I think there are some considerations that we should know about. For those of you who have had the discussion at the State-level, perhaps you could enlighten us.

Council Chair Rapozo: The only discussion that we had was including it in the definition for “motor vehicle” so that they would be required to have safety inspections.

Councilmember Yukimura: But including it in the definition of “motor vehicle,” what are the implications of all of that if “motor vehicle” is used in a lot of parts of the statute?

Council Chair Rapozo: It would apply to every law that applies to a motor vehicle.

Councilmember Yukimura: Have we consulted with the transportation experts and the police in terms of whether this is a good thing in every instance?

Council Chair Rapozo: This law only involves the safety inspection. This statute that they are trying to amend is only related to safety inspections. In other words, “speeding,” which where they define a “motor vehicle,” this would not apply. This applies only to the definition of the vehicle as stated in this section.

Councilmember Yukimura: Well, Section 286-2 and 291(c)-202 seem like different sections, but as someone who has not really read the whole statute, it seems like they might be different sections.

Council Chair Rapozo: Maybe we can have Mauna Kea take a look at that real quick. Can someone provide Mauna Kea with the HSAC Package of proposed legislation? He can be looking at that while we look at your other question.

Councilmember Yukimura: Could one of you explain this Bill relating to counties' short-term investments?

Council Chair Rapozo: Aida, do we have the justification sheet?

Councilmember Yukimura: It says, "Allows counties to make short-term investments with similar authority as the State Director of Finance."

Council Chair Rapozo: That is what it does. It will allow counties to...if you look, it does not change anything under Section 46-50. If you look at Subsection 1(d)(2), the old statute...you can see the corrections. It is really basically clarifying where in fact they can...it is changing Federal land bank to Farm Credit System notes and bonds, Joint stock and loan bonds to Federal Agricultural Mortgage Corporation notes and bonds, and have added in Tennessee Valley Authority notes and bonds. It just allows the counties to make short-term investments as the State does.

Councilmember Yukimura: Did we check with our Treasurer?

Council Chair Rapozo: I did not talk to anybody. This was proposed by O'ahu, I believe.

Councilmember Kualii: No, Maui.

Councilmember Yukimura: This does not mandate anything. It provides an opportunity for counties to participate. That is all it does. I am sorry.

There being no objections, the rules were suspended.

Mr. Trask: For the record, Mauna Kea Trask, County Attorney. I think Council Chair is correct. If you look, the specific changes proposed, the first is...

Councilmember Yukimura: You are talking about mopeds, right?

Mr. Trask: Were you not talking about short-term investment?

Councilmember Yukimura: Okay.

Mr. Trask: Short-term investment—they add paragraph (a), which looks like it is for clarity and the section change on page 2 of that proposed bill from Federal Land bank to Federal Farm Credit System notes and bonds. It looks like it is an update to a more specific type of program. Joint

stocks farm loan bonds: it changes that to Federal Agricultural Mortgage Corporation notes and bonds. It goes through like the Chair stated and looks like it is more specific to the current state of federal affairs and allows county officers to access those programs specifically, versus engaging in a semantic argument as to whether or not a specific program would apply on a bolder description of non-current programs.

Councilmember Yukimura: If it is such an innocuous proposal, I am wondering what the significance is of putting it in our package.

Mr. Trask: I do not want to necessarily characterize it as “innocuous,” but the description says, “Allows counties to make short-term investments with similar authority as the State Director of Finance.” It looks like they are just allowing county officials to do what the State already does with similar authority.

Councilmember Yukimura: Well, the State has not been ideal in their management of their moneys.

Mr. Trask: But we have.

Councilmember Yukimura: Yes.

Council Chair Rapozo: Again, nothing can be done without the approval of the County Council as far as short-term investments. That is in the law already and that will not change. It just pretty much expands the opportunities for the counties. Maui recognized it and they want it take advantage of it to be able to participate in additional investment opportunities, and that is really what this was. The County of Kaua‘i can choose not to participate or they can choose to participate.

Councilmember Yukimura: Okay. Thank you.

Council Chair Rapozo: Mauna Kea, did you take a look at the moped definition?

Mr. Trask: No. What was the specific question as to the mopeds?

Councilmember Yukimura: Whether defining “motor vehicle” to include “moped” in what may be an animus statute has implications beyond safety checks.

Mr. Trask: I apologize. Can you rephrase the question without using the omnibus?

Council Chair Rapozo: Basically, what it does is changing the definition in 286-2 for “motor vehicle,” which currently excludes “mopeds.” This is intended to add it in. So mopeds would be part of the definition of 286-2 and would require the mopeds to get safety checks.

Mr. Trask: So under 291 and 291(c), mopeds are regulated similarly to motor vehicles. Under 286, they treated differently. I am familiar with that in defending and prosecuting traffic cases, but it looks like they are bringing mopeds into that fold so as to get rid of a loophole for moped drivers to make it safer because mopeds can be very dangerous.

Councilmember Yukimura: So it allows them to go anywhere motor vehicles are allowed to go?

Mr. Trask: I know there are exclusions for where some mopeds can go because they only max out at thirty-five miles per hour (35 MPH) for the definition of "moped." But over here, moped before says...it exclude moped, so currently they are not mandated to be certified as provided for the inspection, so this would mean that it would be because it is used on roads, although maybe not all roads, but used on roads nonetheless, as we all know.

Councilmember Yukimura: I understand the desire and the suitability maybe of mopeds being subject to safety inspections. I am asking whether in the process of doing that we are allowing mopeds to do other things that motor vehicles can do that may not be wise or safe. Because I do not know the implications of this governing statute, I do not know the lay of the land with respect to mopeds and motor vehicles. I just want to make sure that we are not having any unintended consequences.

Mr. Trask: To answer that question, as you know, general conflict of law rules provide that laws with specific application trump laws of general application. This specifically regulates registration and inspection of mopeds under Section 286-26. That does not necessarily mean that it would be permissive of mopeds to say, drive on a highway. However, I am not prepared today to give you a total satisfaction in regards to every situation, but for example...Mr. Morimoto just passed me Section 291(c)-195, "Driving of mopeds." Section 291(c)-195 restricts no person less than fifteen (15) from driving a moped on a highway, street, roadway, etcetera and no all drive a moped except while sitting astride the seat, facing forward, and no packing, etcetera. So the fact that it needs to be registered and inspected would not trump, for example, Section 291(c)-195, which is a specific statute as far as restrictions to mopeds and their use and carrying capacity. I do not have a survey of every single moped law, but I do not think it necessarily follows that; if you change one, you change them all.

Councilmember Yukimura: Actually, what we would it seems is a survey of the use of motor vehicle, unless the definition in this case of "motor vehicle" is limited to safety checks. If it is used in other parts of the statute for other reasons, I am asking whether we have checked to make sure that, that kind of inclusion in the definition of "motor vehicle" does not cause any unintended consequences.

Mr. Trask: Well, I cannot say that, but if you look at the definitions that as proposed changes in the amendment, it looks like there were corollaries between the definition of "motor vehicle" and the definition of "vehicle." "Vehicle" included mopeds and "motor vehicle" excluded mopeds for the inspection

requirements. Now that mopeds are required to be inspected, proposed by this law, necessarily would have to take out the exclusion of moped under "motor vehicle" and its inclusion of "moped" in "vehicle" for the purposes of the application of that chapter. I am just trying to explain it, but again, nonetheless I cannot give you a full read on every single motor vehicle and/or moped statute at this time.

Councilmember Yukimura: Alright. Well, I am just not going to vote for it because I have not fully vetted it. I think we should vet these things just to make sure that we are not doing something that we do not want to do.

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: I have a question. Was there any discussion about the Administration of the safety inspection and adding this added responsibility? For instance, I know there has been some talk about losing a lot of safety check providers, and then also helping to train them and support them. This would be an added responsibility in a program that is already what some would say as "suffering." Was there any discussion on that?

Council Chair Rapozo: There was no discussion. Obviously, Maui did their research, but there was no question at the HSAC meeting as it relates to this section. It was just made clear that they believed the mopeds deserved or needed to be looked at for safety. I am not aware if anybody contacted Department of Transportation or that division. Councilmember Hooser.

Councilmember Hooser: This is just a suggestion that perhaps in the future...I am sure that Maui has a committee report, voting record, and there is testimony and that kind of thing, that maybe it could be provided with that to get more information in the future on this kind of thing or at least a summary or a little more that we have. That would be one suggestion. The other issue that I have questions on, and I guess would request that we vote in seriatim. Is that possible?

Council Chair Rapozo: Yes.

Councilmember Hooser: It would be the one relating to public agency meetings and records. I understand the intent is to allow us to go to public meetings more than we are allowed to now. It says, "Two (2) or more meetings where the County Council may jointly attend and speak at a community, educational, and information meeting or presentation, such as a meeting of another entity, legislative hearing, convention, seminar, conference, or community meeting." The qualifier is if the meeting or presentation is open to the public. Because there is no requirement for public notification, I have some concerns about that. It could very well be someone working on a project, for example, that involves the County and they want to invite us to an informational meeting. It could be land use or anything. They want to invite us to an informational meeting and technically it is open to the public, but they do not want to announce it. There is no newspaper ad or seven (7) day notice. There is no, "Everybody come, we are having this meeting." So consequently, nobody knows we are meeting except perhaps the board of directors. I think that is a critical element missing from that, which is requirement

of public notification. The footnote says that the State Constitution requires all meetings in the Legislature to be public if they are going to make a decision, but again there is no public notification. Now that is why we get a twenty (20) minute notice to some of those hearings. I am not able to support this particular one.

Council Chair Rapozo: Thank you. We did have extensive discussion on this one and in fact we even had the OIP Director brief HSAC. It is a touchy issue. OIP wants to keep the doors shut. They do not want us meeting. Hopefully this is an opportunity that the Legislature will at least give us a little more flexibility. At last night's meeting with the Governor, I purposely did not go because I did not want to drive all the way to Līhu'e only to find two (2) other Councilmembers there and then I would have to leave. It is a ridiculous law. If in fact I did stay with three (3) of us there, then we would have to do a notice, post, and we would have to do a report. We would have to record the meeting. In my opinion, it is a disservice to the community the way it is currently written. This basically says that if this passes, seven (7) of us could go to listen to Governor Ige speak with a question and answer segment; seven (7) of us or four (4) of us could go to a community meeting involving highway improvements. Right now, the way the State law is written, we cannot.

Councilmember Hooser: If this were amended to require that meeting to give public notice, like the Governor's meeting might have been in the newspaper; I know I saw it online. As long as the meeting was publicly noticed, not by us, but by the entity offering it within seven (7) days or something with some loose definition, local newspaper or whatever, then I would feel much more comfortable about it. I agree with you that we should be able to go to those meetings. As it is written now, it allows equally secret meetings to occur. In theory, it would be open to the public, but no one knows about it. So how is the public going to know about it? The newspaper does not know about it and the general public does not know about it. There is room for "mischief" as they say. Is it possible to amend these?

Council Chair Rapozo: We cannot amend it here. If we amend it here, we go back to HSAC and it would have to be sent to all the different councils, so we are not going to make the deadline. If you are uncomfortable, that is fine. Even if you do not support it today if it should pass...work with the Legislature to amend—honestly, I do not think that was even considered. I think the intention was good: open to the public meeting, community meeting, and publicized meeting. Maybe that is what we did not think. Maybe it should have said an open publicized meeting, one word. But that was not even an issue because I do not think anyone was thinking that way, but that is a good point.

Mr. Trask: Chair, to clarify the record, it appears though, and I guess I would ask you this, "Although two (2) or more members of a county council may jointly attend and speak at a community meeting, etcetera, if the meeting is or presentation open to the public." Nonetheless, this would not allow Councilmembers to discuss or come to an agreement with or violate any other provision or restriction contained currently in the Sunshine Law while at that meeting, so it is not like if this is a public meeting you folks can collude and

otherwise violate the Sunshine Law because it is at another public meeting. You still would be prohibited from doing that and you could just attend and speak.

Council Chair Rapozo: Correct. If it was a matter that was currently before the board like the GET, for example, which is now on our agenda, then the requirements of the Sunshine Law would definitely kick in.

Mr. Trask: Yes.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: This is not the first time this Bill came up. I think we considered it last year and I remember working with Yvette from our Staff on some language about notice of the meeting, because I agree with Councilmember Hooser that you could have a small group, board of directors or steering committee, that invites several members of the Council to come and talk or invites other people, including the Council, to come and listen and engage in dialogue. Then a complaint is made and it can be an open meeting after-the-fact. "Oh, it was open. You could have come." But without the notice ahead of time, it does throw you back into the possibility of those meetings that the Sunshine Law was legitimately trying to stop. I think this or some version of it was part of our package last year. Was it not?

Council Chair Rapozo: I believe it is every year.

Councilmember Yukimura: The reason it does not go anywhere is because we have not figured out a good bill to propose. If we did, there would be some momentum for actually passing it.

Council Chair Rapozo: I have to say that this is not the first time this has shown up on the agenda. The HSAC package items were on the agenda...when was that? When did we discuss these items?

Councilmember Yukimura: Did we do it in seriatim?

Council Chair Rapozo: No, I am not talking about the vote. I am talking about the discussion. This made the Committee and got to the Council where these concerns could have been brought up so I could have taken it back to HSAC, so we could have had the discussion. Now we are at the voting of the Resolution. This is not new. We have had the discussion, but I have not heard a thing from anyone about these items. Had I had known months ago when this made the agenda, we could have attempted to fix it. Today to come up and say, "I want this now. I am not going to support it"—we never gave it a shot. I was never able to take any concern back to HSAC. I want to make that clear that this is not the first time it is showing up on the Council agenda. To be fair on the process, because I do not want people to think that HSAC is trying to ram this down anyone's throat, but this process started months ago. It came to the Council, we had that discussion and there was never any concern. I take it back with our vote of support, we put it on the package, and then it gets back for a final vote after all the counties had an opportunity to support it. I respect everybody's position on this and

what passes or does not is nor here, nor there for me. Whatever the mercy of this Council is, is what I will take back, but I just want to make the record clear that this is not the first time this has shown up, that there were many opportunities to share the concerns of any Councilmember for these items.

Councilmember Hooser: Just a question, but did we vote on this in the past?

Council Chair Rapozo: Every item that goes to HSAC has to pass the counties.

Councilmember Hooser: So we voted on these items on a prior agenda? Honestly, I do not recall having this discussion or having it on the agenda, but I missed a couple of meetings during the year and not a lot, but I do not remember voting on this.

Council Chair Rapozo: The Kaua'i introduced items...I am sorry...I misspoke, but that got approved here. The outer islands' items never made it here, so this is the first time. I apologize.

Councilmember Hooser: Okay.

Council Chair Rapozo: This matter has been up every year on the package and it never gets even a conference hearing. The State is not interested in changing the Sunshine Law, for whatever reason. It is a sad thing. If there is some serious concern about the posted meeting or publicized meeting then that is something that we can address at HSAC. It is not going to make the package, but if there is enough concern for that missing piece and if a county does not support it, it will not make the package.

Councilmember Yukimura: Well, I do not know where the votes are going to fall today, but if the majority votes for it and the other councils do the same, then it will make the package without the really good vetting and maybe some amendments that could actually give it a chance at the Legislature. I am not willing to vote for anything that I do not feel real comfortable and do not know what all the implications are, so I will be voting that way on all of these bills, with that standard in mind anyway. I do have questions about the Identification (ID) cards for persons with disabilities.

Council Chair Rapozo: Okay.

Councilmember Yukimura: It sounds like a good idea, but even in working with Celia Mahikoa and trying to create classes of people who might get differential fares of some sort, she said the City and County has a very methodical process for qualifying people. Often doctors will just sign off and there is not a quality control, so to speak, on who really has disabilities, or whatever the class is there is a certain administrative expense to figure this out. I am not clear how this would all work, but they said "may opt to identify their disability on their driver's license upon receipt of required documentation as stated in this section." I do not

know who is going to provide the documentation, how tight it will be, and whether there will be costs to us of administration?

Council Chair Rapozo: Any other comments? Any other questions? Any public testimony? If not, we are going to do it in seriatim for each of the package items.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa moved to vote all items of the 2016 HSAC Legislative Package in seriatim, seconded by Councilmember Chock, and unanimously carried.

Council Chair Rapozo: Let us start with item number 1, "A Bill For An Act Relating To Zoning."

1. A Bill For An Act Relating To Zoning (Proposed by the County of Kaua'i)

Councilmember Kagawa moved to approve A Bill For An Act Relating To Zoning (Proposed by the County of Kaua'i), seconded by Councilmember Chock.

Council Chair Rapozo: Real quick, this would be for the amortization of Transient Vacation Rentals (TVRs), so we could definitely start the process of amortizing the use of these lands overtime on all zoning classifications.

Councilmember Yukimura: I want to say that we have vetted this, so I feel very comfortable voting for it.

Council Chair Rapozo: This was a County of Kaua'i package item. I am sorry, Jade. You can continue.

The motion to approve A Bill For An Act Relating To Zoning (Proposed by the County of Kaua'i) was then put, and carried by the following vote:

FOR APPROVAL:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

2. A Bill For An Act Relating To Tort Liability (Proposed by the County of Kaua'i)

Council Chair Rapozo: This is to remove the sunset date of the beach liability for our lifeguards. Can I get a motion?

Councilmember Kagawa moved to approve Bill For An Act Relating To Tort Liability (Proposed by the County of Kaua'i), seconded by Councilmember Kaneshiro, and carried by the following vote:

FOR APPROVAL:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

3. A Bill For An Act Relating To Mopeds (Proposed by the City & County of Honolulu)

Councilmember Kualii moved to approve A Bill For An Act Relating To Mopeds (Proposed by the City & County of Honolulu), seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: When I attended the University of Hawai'i, I rode a moped there and it was very dangerous, so I will be supporting this. It is dangerous both for yourself and for others. Anything to make it safer I will support.

Council Chair Rapozo: Thank you. Roll call.

The motion to approve A Bill For An Act Relating To Mopeds (Proposed by the City & County of Honolulu) was then put, and carried by the following vote:

FOR APPROVAL:	Chock, Kagawa, Kaneshiro, Kualii, Rapozo	TOTAL – 5,
AGAINST APPROVAL:	Hooser, Yukimura	TOTAL – 2,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

4. A Bill For An Act Relating To Counties (Proposed by the County of Maui)

Councilmember Kualii moved to approve A Bill For An Act Relating To Counties (Proposed by the County of Maui), seconded by Councilmember Kaneshiro, and carried by the following vote:

FOR APPROVAL:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

5. A Bill For An Act Relating To Public Agency Meetings And Records (Proposed by the County of Maui)

Councilmember Kualii moved to approve A Bill For An Act Relating To Public Agency Meetings And Records (Proposed by the County of Maui), seconded by Councilmember Kaneshiro, and carried by the following vote:

FOR APPROVAL:	Chock, Kagawa, Kaneshiro, Kualii, Rapozo	TOTAL – 5,
AGAINST APPROVAL:	Hooser, Yukimura	TOTAL – 2,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

6. A Bill For An Act Relating To Identification Cards For Persons With Disabilities (Proposed by the County of Maui)

Councilmember Kagawa moved to approve A Bill For An Act Relating To Identification Cards For Persons With Disabilities (Proposed by the County of Maui), seconded by Councilmember Kualii, and carried by the following vote:

FOR APPROVAL:	Hooser, Kagawa, Kaneshiro, Kualii, Rapozo	TOTAL – 5,
AGAINST APPROVAL:	Chock, Yukimura	TOTAL – 2,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

7. A Resolution Requesting The Hawai'i State Legislature Urge Hawai'i's Congressional Delegation To Propose And Pass An Amendment Clarifying That Corporations Are Not People With Constitutional Rights, And That Unlimited Campaign Spending Is Not Free Speech (Proposed by the County of Hawai'i)

Councilmember Kualii moved to approve A Resolution Requesting The Hawai'i State Legislature Urge Hawai'i's Congressional Delegation To Propose And Pass An Amendment Clarifying That Corporations Are Not People With Constitutional Rights, And That Unlimited Campaign Spending Is Not Free Speech (Proposed by the County of Hawai'i), seconded by Councilmember Yukimura.

Council Chair Rapozo: We did have discussion on this. Although this was a Resolution that Kaua'i passed, Hawai'i island decided to put it up for the HSAC Package.

The motion to approve A Resolution Requesting The Hawai'i State Legislature Urge Hawai'i's Congressional Delegation To Propose And Pass An Amendment Clarifying That Corporations Are Not People With Constitutional Rights, And That Unlimited Campaign Spending Is Not Free Speech (Proposed by the County of Hawai'i) was then put, and carried by the following vote:

FOR APPROVAL:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: We are back to the main Resolution. Any further discussion? If not, roll call.

The motion for adoption of Resolution No. 2015-69 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7*,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Hooser and Councilmember Yukimura were noted as silent, but shall be recorded as an affirmative for the motion.)*

Council Chair Rapozo: Next item, please.

BILLS FOR FIRST READING:

Proposed Draft Bill (No. 2601) – A BILL FOR AN ORDINANCE AMENDING SUBSECTION 8-15.1(d), KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO ADDITIONAL DWELLING UNIT ON OTHER THAN RESIDENTIALLY ZONED LOTS: Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2601) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 27, 2016 at 1:30 p.m., and referred to the Planning Committee, seconded by Councilmember Chock.

Councilmember Kagawa moved to amend Proposed Draft Bill (No. 2601) as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 1, seconded by Councilmember Chock.

Councilmember Chock: Chair, I think this comes from a recommendation from the Planning Commission and most recently wanted to add or specify that the fee be utilized for administrative costs, and also taking out any moneys remaining in the Additional Dwelling Unit (ADU) Recertification Fund on December 15th shall be transferred to the General Fund, so it is taking that out. It will essentially keep it in the existing fund.

Council Chair Rapozo: Any questions on the amendment?
Councilmember Hooser.

Councilmember Hooser: The first bracket appears to delete the provision that allows administrative costs to be paid. Is that right? That would be the County's administrative costs for a contested case hearing. Why do we want to do that?

Council Chair Rapozo: I think they want to use those funds for...when I see the County Attorney here, I am assuming that they are doing the contested case hearings in-house right now. Can you help us with this, Matt? I am not sure. You would have to come up here.

Councilmember Hooser: It appears that the existing language does not require it to be used for administrative cost for a contested case hearing, but says can be or it is an "and." It says, "It may be expended by the Department of Planning for these purposes..." I do not see what is gained by removing that.

MATTHEW M. BRACKEN, Deputy County Attorney: Matthew Bracken, Deputy County Attorney for the record. So the contested case hearings are held in-house. They are handled in-house and they currently are using a hearings officer that they have hired from O'ahu.

Councilmember Hooser: Because there is no requirement to use these funds for the administrative hearing, what is there to be gained by taking this out if two (2) years from now the workload is so great that we want to hire somebody, we would not be able to use these funds.

Mr. Bracken: Respectfully, I do not have an answer to that question, so if you could submit a formal request to the County Attorney's Office.

Council Chair Rapozo: It probably needs to go the Planning because this came over from Planning, not from the County Attorney's Office. Councilmember Kagawa, I am not sure if they spoke with you. I agree with Councilmember Hooser that there is no real gain.

Councilmember Kagawa: Can I withdraw my motion to amend?

Councilmember Chock: Chair, I did look at the Planning Commission minutes and from Commissioner Katayama, who made the suggestion, he says, "I would like to make a motion to delete language and begin being more general on the administrative fees in paragraph 8, 9th line, to delete 'related to ADU recertification' and for it to read for 'administrative costs for contested case proceedings.' Then actually, we wanted to remove from just from leading for administrative cost for recertification." Again, I think the idea is to keep it a more general use, but I am happy to take it to the Committee to have more work or explanation if that is the will of the body.

Council Chair Rapozo: Okay. Councilmember Yukimura.

Councilmember Yukimura: We are not just allowing the collection; we are allowing the expenditure so they do not come back to us at all. It does seem

that the phrase regarding “administrative costs for contested case proceedings related to ADU recertification” is very, very specific and if I understand Commissioner Katayama’s proposal, it would be something like “and for related administrative costs” because that would include conducting inspections and other things related to ADU regulation. I think it is a good idea if this be withdrawn and worked on between now and the Committee Meeting.

Councilmember Kagawa withdrew his motion to amend Proposed Draft Bill (No. 2601) as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 1, Councilmember Chock withdrew his second.

Council Chair Rapozo: Thank you. There is no amendment proposal right now. Councilmember Yukimura.

Councilmember Yukimura: I asked to have Planning here because I have one question and it relates to the question I asked them on first reading before we...it was not first reading, but when the Bill first came to us and we sent it to the Planning Department and Planning Commission. I got word that they are not able to be here.

Council Chair Rapozo: No, they are coming.

Councilmember Yukimura: They are?

Council Chair Rapozo: Scott just asked me earlier, but I did not think we were going to have much discussion, but Mike just called and said he is available. Is it something that we need to do before the public hearing?

Councilmember Yukimura: Yes. When are they coming?

Council Chair Rapozo: He is coming now from across the street. Let us hold off and move on to the next item and we will come back when Mike gets here.

Councilmember Yukimura: Okay. Thank you.

There being no objections, Proposed Draft Bill (No. 2610) was taken out of order.

Ms. Fountain-Tanigawa: Chair, the next item is Proposed Draft Bill (No. 2610).

Proposed Draft Bill (No. 2610) – A BILL FOR AN ORDINANCE TO ESTABLISH A GENERAL EXCISE AND USE TAX SURCHARGE FOR THE COUNTY OF KAUAI: Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2610) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 27, 2016 at 5:00 p.m., and referred to the Budget & Finance Committee, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion? Public testimony? The rules are suspended if there are no objections. Mr. Bernabe.

Mr. Bernabe: Matthew Bernabe for the record. I just want to take this second opportunity to address how the day has gone by when we hear that the Department of Public Works went ahead and put a bike path in without even doing due process and allocating funds for things like that, versus the deterioration of the rest of our infrastructure. As the body that “okays” the money expenditures—it is kind of hard when they do not come in and do the due process, but this is kind of the area where I would like to see you clampdown when we talk about fiscal responsibility and cutting waste. These are the kinds of things. Do we really need that little strip that we could argue is useless because they could use it anyway, versus could that have gone to something better? That is basically what I just wanted to use this opportunity to hammer it back home as you folks being the fiscal arm of this dual relationship between legislative body and administrative body. Thank you very much.

Council Chair Rapozo: Thank you, Matthew. I will call the meeting back to order. Further discussion? Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: This is pretty frustrating to be sitting here today being asked a tough question of whether we are going to increase a general excise tax in the amount of one-half percent (0.5%) for ten (10) years, starting in 2018 that will generate about twenty-five million dollars (\$25,000,000) a year to basically fix our infrastructure and roads that we have neglected over the past fifty (50) years. I made the excuse that our TAT got capped four (4) years ago, losing fifty-two million dollars (\$52,000,000), and I ask myself one of the questions that would have been if that had not happen, would all the bridges and the pictures that we have shown and all the roads with the potholes—would all of those things, if we had that fifty-two million dollars (\$52,000,000) today, have been done? Or would it basically be in the same state? Everybody has an idea of what that answer is and it is sad, because kicking the can down the road is something very easy to do, but I think when one bridge or what have you fails and breaks, it is going to be a tsunami tidal wave of criticism upon this County that we neglected that incident. I do not know what the answer is. Can we cut the budget enough to fix some of these dire bridges and roads? Do we have to go with this tax? I feel like the only true answer I know is that if we have the money, we can do it. If we have the twenty-five million dollars (\$25,000,000), I know we can do it, but I do not know whether the Administration is going to do it. They are the ones that need to do it. We can allot the money, but if they want to keep kicking the can down the road, we can end up at the same place, just more tax on our people. This is tough. Chair, it is very frustrating. It is too bad that at this kind of tough decision we do not have that administrative power to just get the job done in what we all want. I think we all want to see those infrastructure needs done if we are going to increase this tax with no excuses. That is why this vote is going to be tough for me. It is not a sure thing.

I think I see a split amongst members. We have some time and time is good, but I think we need to see and feel some true commitment from the Administration that these bridges and roads are going to get done, not continued excuses because the public has had enough of that. Thank you, Chair.

Council Chair Rapozo:

Thank you. Councilmember Hooser.

Councilmember Hooser: We spoke on this earlier and I know it has been a long day, but I feel compelled, since we are going to talk about it, to talk about it a little bit. As I said earlier, I am not going to be supporting an increase in the general excise tax. Experience has taught me that there is never enough money to do all of the things that we need to do, and the general excise tax in particular is a very regressive tax and I do not believe our County is managing its money as well as it should. Further, I mentioned before the example of having free water. If we have free water, people leave their spigots on all the time and they do not save water. The roads need to be fixed from money directly generated from gasoline taxes and vehicle weight taxes as much as possible, and that way people that drive more, pay more. People that have bigger trucks, pay more than people with smaller trucks. It is more wear-and-tear on the roads. That is a funding mechanism directly related to the wear-and-tear on those roads. That is the way, in my opinion, to fund highway improvements. I find it kind of weird that we have not talked about bridges being in dire shape until we have an opportunity to get a bunch of money, raise taxes, and get two hundred fifty million dollars (\$250,000,000) over ten (10) years. The Administration has not been here in front of us saying that we have to find money for this bridge or that bridge, not to any significance, anyway. I do not remember the urgency and the dire conditions that we are having described today. I know there is a lot of discussion that is yet to happen and I am personally looking for other funding alternatives. We lost the TAT money and I mentioned earlier why we not look at visitor industry to see if we can replace some of those funds. They do not pay their fair share. Other options like that and other options more directly related to the improvements that are being requested. Again, there will never be enough money to pay for everything. There just will not. I wonder, and I will ask the public to wonder this and you all to wonder about this that if this tax gets raised, ten (10) years from now, will we feel any better about our roads than we do now? Will we say, "Great, look at our roads. They are on in good shape. This is cool because we fixed them all." No, we will not. People will still be complaining about roads and traffic. Hopefully we have a much better public transportation system, and I support that, but I have no confidence that raising this tax is going to significantly increase the quality of our roads at all. It will just be two hundred fifty million dollars (\$250,000,000) out of the pockets of residents in our community. Thank you.

Council Chair Rapozo:

Councilmember Yukimura.

Councilmember Yukimura: This cynicism that I am hearing is really distressing to me because with that kind of attitude, we will never get ahead. I think the Administration is sincere. They have come forward to say that they are going to repave the roads. Admittedly, it took our nudging for about five (5) years before we even got on assessment of what the Bill is, and then only in last two (2)

weeks have we received some details about what is going to be done. I do not doubt that they are sincere in repaving the roads and I even have less doubt how we have to do it because if we do not, we pay anyway by our cars that need more repairs. One of our most important jobs is to maintain the infrastructure. Otherwise how do we function as a community? I think we are forgetting the legacy of our parents and grandparents. They never hesitated of making a sacrifice for the future. They said they never kicked the can down to us, whether it was defending a democracy in the battlefields of Europe or in the Pacific Theater, or in saving money so that we could go to college. This is the issue in our generation now. We cannot pass it down to our children or grandchildren. We have to bite the bullet together and we can hold the Administration accountable by our yearly budgets and our annual report backs about what they are doing and what their progress is. I also believe, as what was said around this table today, that if you promise people that they will get the services that are urgently needed to keep the well-being of our community in order that they will be willing to pay for it. If you analyze a two cents (\$0.02) fuel tax or a five cents (\$0.05) fuel tax, it is less than the amount that people is going to have to pay or is being proposed for the one-half percent (0.5%) excise tax. If the users are not paying for their system, we are subsidizing it. We are subsidizing the big commercial trucks and everybody who uses the roads because we are not collecting enough money from the users. Let us try to balance out the burden and we have to go by principle, which one of the principles is that everyone pays their fair share, at least according to their ability to pay. That is the kind of thing we have to put together to make this work. This is an opportunity. If we want a good transit system, there is no way we are going to get that without putting some money into it. Then of course, yes; the Administration has to properly execute and administer these moneys and the systems, but we cannot keep kicking the can down the road. It is not fair to our children and grandchildren.

Council Chair Rapozo:

Anyone else? Councilmember Hooser.

Councilmember Hooser: Just real quickly, I was not clear in my remarks. I was not questioning the Administration's commitment. My cynicism is driven by my experience in government and everyone will try their best and we will spend lots of money and we will fix roads, but my point is that ten (10) years from now, we will look around and we will not see that much difference, in my opinion. We will not see two hundred fifty million dollars (\$250,000,000) and be raving about the quality of our roads. It is just the way things work. We will appropriate more money and more taxes and we will get less for it. It is interesting that the newspaper quoted me in the paper and I said, "The government needs to do less with more." Of course, it was intended to be more with less, but in retrospect, it was like a Freudian slip and that is what happens with government. We need a strong government and we need the services it offers, but unfortunately it is not as efficient and we far too often end up doing less with more and that is what I am concerned about. Thank you.

Council Chair Rapozo:

Anyone else? Councilmember Kuali'i.

Councilmember Kuali'i: I just want to echo some of Councilmember Yukimura's remarks and I do agree that we should look at this the same way we

look at the budget and cut where we can. We should look at all options as far as a revenue package, including the fuel tax and the vehicle weight tax, and how that combined with the general excise tax of a lower amount than one-half percent (0.5%) could get us to the bare minimums of what we have to do with road and bridge repairs. To me, those two (2) items are the most critical, and then we build from there what we can. We are going to have to take our time with this and look at all options. The Administration is going to have to work with us so that we can get to a point of some kind of agreement to deal with what we have not dealt with for so long. We are talking about no longer being able to kick the can down the road. That is our fiduciary responsibility. Like the budget, we have to deal with this. I am looking forward to the challenge and I think we will do a good job ultimately in the end and do what is right for our people and our island. Thank you.

Council Chair Rapozo: Anyone else? Matt, when you came up you brought up a good point about what is going on up on Oloheua Road today and Councilmember Yukimura brought up a good point about kicking the can down the road. Councilmember Hooser brought up the point that ten (10) years from now, we will look back and say this was a great idea. Everyone is correct, but not a few hours ago we had a discussion to throw that can back and we did not. We just said, "Okay." That is historical; that is traditional. That is what counties do; that is what councils do; that is what state legislatures do, rather than be confrontational. The buck stops here in my opinion, so we control what is going to be...the problem with this Bill is that although the County determines the expenditure, we do not control the collection. The State is going to collect that one-half percent (0.5%) and feed it through the counties, but if there is a disagreement between the administration and the councils about how that money is going to be spent, then we are going to have a problem. That money, in fact, may not be spent. Councilmember Hooser, we talked about the bridges years ago. I do not know if you were here yet because it may have been in my first term, but it was long ago when we had the discussion on the bridges. I took pictures, we had the discussion, and we were assured that they were going to fix it. I am embarrassed to say that I thought they did, but you are right—all of a sudden it is a big issue, almost frightening the public with those pictures. That is why we need the money. We never needed the money when we applied for the grants to do the Rice Street and Hardy Street improvements. We did not direct our energy and our focus on any repairs of our roads or bridges when we went and applied for the federal assistance for the bike path. It is never a money issue; it is a priority issue. It always a priority issue. What happens if this does not pass? What are we going to do? Are we going to start selling assets to pay for these things? Maybe sell some of our cars, buses, or golf course? Councilmember Hooser had the perfect definition. All of a sudden because the money is available...what is going to happen if this does not pass? What if this Council at that time says no? I do not think that will happen because I think I can count, but if I had to vote today, I would vote no with a capital "N." It would be very difficult for me to change that position based on what I am hearing so far because there are no specifics. It is broad, except for the buildings and stuff that they want to expand, but is that really their priority right now? I do not think so. I do not think the mechanic shop...that stuff, we go out and secure bonds for. At some point, we go out and secure alternative finances, but you do not tax the public on a

one-half percent (0.5%) basis so on everything that you buy you are going to help fund that...seventeen million dollars (\$17,000,000). That is why I made the public hearing at 5:00 p.m. because I want the public to show up. The Garden Island, maybe you can highlight this: it is 5:00 p.m. We usually do it at 1:30 p.m., but we are doing it at 5:00 p.m. for this item, because this decision is not like a decision of a bike lane on Olohena Road or a stop sign at some subdivision. This is something that is going to affect the taxpaying public, every single person, not just property tax owner, but everybody who spends money here for the next ten (10) years. I want to hear from the public and I want to hear what they believe we should do because I think it is critical. This is going to impact many people for a long period of time. The other problem, and I did not want to spend too much time on it today, but I will when we get to Committee, is that list of roads. I told you folks at the last meeting that my road, Makani and Haleilio—that road is not considered “failing.” In fact, that day Lonnie Sykos stood up and said, “No, up the road by the junction.” I went and looked and that road is perfectly fine. It is “cherry,” but they have it on their list as needing construction, meaning it is failing. Yesterday, I met with a constituent who lives on Moalepe off of Kawaihau and he told me that his road is “cherry,” just paved not long ago. But it is showing up as a road in failure on the list. My point is do we really have one hundred four million dollars (\$104,000,000) is road repair needed? Or has that computer program exaggerated that amount by putting a lot of these roads in “failure status” so that we can generate a higher value so we can tell the people that we have to raise their tax? I am not convinced because the road that I live on does not need paving, but that list says that it is in failure. Anyway, I have a lot of problems. Councilmember Yukimura.

Councilmember Yukimura: To the extent that government fails, and we have been saying that a lot here, that is us. We are government; we are leaders, too. We have to change government in the places where it does not work. I agree with the Chair about some uncertainty about whether that list is the right list, but we get to approve the specific lists when we appropriate the money for repaving, so we can go check those out, take off and put on as long as we do not act politically ourselves and we go by the merits. I also want to say that that one hundred million dollar (\$100,000,000) figure was given to us before we knew we were going to get twenty million dollars (\$20,000,000) a year. I was working for the excise tax last spring about one (1) year ago and the projected estimates about how much we were going to get from the one-half percent (0.5%) excise tax was about eight million dollars (\$8,000,000). That is all we were going to get, so I do not believe that the Administration made up the one hundred million dollars (\$100,000,000). It may not be that all the kinks have been worked out about that system of assessing roads, but we are getting better. I am so appreciative of the “Larry Dill’s,” “Nadine Nakamura’s,” and the “Keith Suga’s.” In all my history of County government, we have some real quality people working in the Administration and we need to support their work to the extent that it is meritorious, especially if it is going to move us to getting the roads that need to be fixed, fixed because we are going to be in really hot water if we do not address this issue. Yes, I agree that certain items should be funded by bonds, the ones that are going to have many years of benefit. That is some of the ones that the new generation should pay for because they are going to be getting the benefit. The backlog is our fault and now that we have moneys or we will make some moneys, we need to address that.

Council Chair Rapozo:

Councilmember Kagawa.

Councilmember Kagawa: Just to answer some of the questions, like are some of the bridges in dire need—Hanapēpē Bridge was built in the 1800's and currently, we heard from the County Engineer that they were fixing the spalling underneath the bridge. How do you fix spalling under a bridge? Do you put cement under just to patch and cover the rebar? I would think that the cement is structured. I am not an engineer, but I think that when the spalling is so bad that it exposes rebar, it needs to be reconstructed. Is it in dire need? I think so. I think a lot of them are in dire need. They said that 'Anini Bridge is already uneven. The culvert is smashed or something like that. What are we waiting for? Are we waiting for a trailer and a boat to flip over? Seriously. We have some major things that we have neglected and I do not think it is fair for some Members of the Council here to say, "Well, because we were neglectful in the past thirty (30) or forty (40) years, only the drivers now will have to pay for all that we have neglected." Is that fair? That is why I said maybe the GET is the only way to make it up. How do you make up for years of neglect? Do you do it by just making the current drivers with cars pay for it? That is not fair. I do not know where we are at. It is very frustrating as we continue on this path, but there are dire needs that we have been neglecting, but somehow we have to address it. Are we waiting for a catastrophe? It is going to happen if we keep waiting. I tell you, it is going to happen.

Council Chair Rapozo:
Kuali'i.

Any other comments? Councilmember

Councilmember Kuali'i: When you think about all of the concerns, well at least for me, because I share many of the concerns that were expressed by others. It almost seems to me like this Bill, as it is currently before us, would probably have to be amended pretty drastically. To me, it almost makes sense that the Administration should come back to us with a better bill, with better information, with taking out the pieces that need to be funded by CIP and bond floats, like the repair shop, and scaling this back. I think they are asking for the moon with two hundred fifty-five million dollars (\$255,000,000). Some of it seems like "nice to have" stuff, as opposed to "absolutely need to have." I think we just need to focus on the roads and the backlog. We need more information on what that is and how we are going to deal with it. They can it prove to us. I have faith in Larry Dill and his team that they are beginning to work on it. You have to have "plan B" and "plan C" too because we have to be doing what we can without any of this GET; we have to be doing what we can with the other funding sources that we do have, and then build upon that with the full plan for the next ten (10) years or what have you. I do not know. I am just leaning in a different direction.

Council Chair Rapozo: Any other comments? If not, I just want to clarify that is true, it is us; it is the Council and we are part of this issue. I have sat on enough budgets where we have funded and approved the paving schedules and provided the millions of dollars, but it was not done. We can only provide the money and if they do not have the mechanisms in place or the structure to get it done, then it is a big issue. With that, roll call.

The motion for passage of Proposed Draft Bill (No. 2610) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 27, 2016 at 5:00 p.m., and referred to the Budget & Finance Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Kagawa, Kaneshiro, Yukimura	TOTAL – 4,
AGAINST PASSAGE:	Hooser, Kualii, Rapozo	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Motion carries. Next item, please.

Proposed Draft Bill (No. 2611) – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE BOND FUND (*Hanalei Baseyard Fuel Tank Project – \$40,000*): Councilmember Kagawa moved for passage of Proposed Draft Bill (No. 2611) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 27, 2016 at 1:30 p.m., and referred to the Budget & Finance Committee, seconded by Councilmember Kualii.

Council Chair Rapozo: Any discussion? Any public testimony?
Seeing none, roll call.

The motion for passage of Proposed Draft Bill (No. 2611) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 27, 2016 at 1:30 p.m., and referred to the Budget & Finance Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Motion carries. I apologize, Mike. I saw you sitting right there. Can we have you come up? We will go back to the ADU Bill because Councilmember Yukimura had a question.

There being no objections, the rules were suspended.

MICHAEL A. DAHILIG, Planning Director: Good afternoon,
Councilmembers. Mike Dahilig for the record.

Council Chair Rapozo: The amendment was withdrawn.
Councilmember Yukimura, I am not sure if your question was regarding that

amendment. I believe it was something else, so why do we not start with your new question that you had. Thank you for coming over, Mike.

Mr. Dahilig: No problem.

Councilmember Yukimura: Thank you. I think you are deferring a dinner engagement.

Mr. Dahilig: That is okay. I texted him. It is fine.

Council Chair Rapozo: You are missing dinner?

Mr. Dahilig: Yes.

Councilmember Yukimura: At 5:00 p.m.

Mr. Dahilig: Yes.

Councilmember Yukimura: Thank you very much. We are going to make this as short as possible.

Mr. Dahilig: No, that is fine.

Councilmember Yukimura: When this Bill was introduced here on the Council floor and we were ready to send it to the Planning Commission and Planning Department, I asked Ka'āina Hull, who was here, about whether there was any way to use transfer development rights to mitigate the potential residential units on agricultural land that would not be for the people who presently have the entitlement. He said he would look into it, so my question is whether it was looked into and what the conclusion was.

Mr. Dahilig: I have not had a chance to follow-up with my Deputy Director concerning that particular question. I can more broadly answer the question concerning transfer development rights just from a policy context. What I believe you are proposing is rights that would be for residential units on agricultural lands would be pulled into another area to try to mitigate the potential for, I guess, agricultural gentleman estates. The challenge that we run into in trying to incentivize pulling in the density from the agricultural lands into another area is that when you pull the density in, you have to make it worth more where you are pulling it into and provide that incentive. The difficulty is that the product that is currently available on agricultural lands are these large estates that are at a very high-value product. If there was to be some type of mechanism to incentivize the voluntary forfeiture of density on agricultural lands into, let us say, a more urbanized zone like Līhu'e, there would most definitely have to be some type of multiple or some type of augmentation in terms of the value of that right being forfeited and what can be gained.

Councilmember Yukimura: What if we were to say that for every unit, if a unit is bought, so that means that the family has decided not to hold onto it and

now it is freely alienable, right? Therefore, of much more value and would attract a buyer more, etcetera. What if we were to say that if they placed it in another zone like where we want growth like Līhu'e, the south shore, or whatever it is, and they could get three (3) units to the one (1) unit; would that be a way to mitigate? The request is to remove that sunset date, which makes the desirability of the unit smaller. Now if we give it full market value, let us say it that way, then there is more possibility of it turning into a gentleman estate, but now we have the incentive that they could put it in another area where we want it. That would be an incentive for them to do that to take it off the agricultural land.

Mr. Dahilig: I guess in response to that question, I would say that when you look at the way Chapter 205 is set up, we can only chop off or pare down the amount of units to one (1) because every parcel of land is entitled to at least one (1) farm dwelling. Now whether farm dwelling and farming are actually happening, that is another enforcement question, but we can only drop down the density to one (1). That paired with the ADU Bill at this juncture, when you look at our recertification process yielded, is really only a fixed amount of two hundred thirteen (213) ADUs that are now in our system. From a standpoint of having an administrative process to try to draw down that number of two hundred thirteen (213), we analyzed the proposal as almost *de minimis* when you are looking at it from a context of the housing demand over the next twenty (20) years. So because we are only dealing with two hundred thirteen (213) units here when our housing demand is over eight thousand (8,000) units in the next twenty (20) years, we did not believe that it was the type of program that would yield the amount of housing units that I think we are trying to chase at this point. If an incentivized program was to come in and try to take those two hundred thirteen (213) units and turn them into more housing units to pull those off the agricultural lands, I do not know how much of an effect from an islandwide basis you would really be realizing by drawing down two hundred thirteen (213) units. I guess it is a "bang for the buck" type of discussion, I would say.

Councilmember Yukimura: Well, Kolopua is forty-four (44) units and Rice Camp is sixty (60) units. That is half of the two hundred thirteen (213); it is one hundred (100) units. How can we say that is not significant?

Mr. Dahilig: It is certainly significant. I would suggest though that we were looking at it from a programmatic standpoint with the amount of units that are being projected as a deficit over the next twenty (20) years, and given the amount of resources that my department has to administer such a program. To engage in a Transfer of Development Rights (TDR) type of situation, we would have to actually stand up a pretty robust program to evaluate and then re-permit. I just raise the caution in terms of whether something like that would comprehensively tackle the housing deficit, versus looking at other programs that may yield the more desired housing units.

Councilmember Yukimura: I am not even suggesting it to actually increase the affordable housing inventory. There is nothing to suggest that they would be automatically affordable, unless the family somehow finds a way to build a unit where they are. I was suggesting it as a way to mitigate the impact on

agricultural lands, which is what the original Bill was meant to do to stop ADUs on agricultural land, and this would be a way to remove further ADUs on agricultural land, only if the families decided to sell. Perhaps you do not think there is any usefulness of TDRs, but a pilot project could train us or give us some experience in how to do transfer of development rights, which we may need and want even as we address our agricultural lands in the future. I do not know. I understand the point that you feel there is already a lot of unbuilt zoning in areas where we want zoning, but still if our goal is to lessen the density on agricultural lands and increase the density or at least see growth in the urban areas, that would be the value of the program as a small pilot project.

Mr. Dahilig: At this juncture, Councilmember Yukimura, again, we are dealing with a fixed amount here. It is two hundred thirteen (213).

Councilmember Yukimura: Exactly.

Mr. Dahilig: The effect of two hundred thirteen (213) additional residential units on agricultural land—again, given the character that at least what we have seen from the applicants, these are not corporations that have come in and asked for the recertification. They are not large developers that have come in. These are pretty much “mom and pop” families, so they are individual applicants. The character of where these units would be going down into, and I am generalizing here, are generally *kama‘āina* families from what we are seeing as the people that have registered. I hesitate to suggest that the TDR is not a mechanism that we can use to try to draw down development on agricultural lands. I am just suggesting that given the scale of what has been registered is a fixed amount, a very small amount, and who is holding that entitlement may not yield the type of mitigation you may be anticipating by not having additional development on agricultural lands.

Councilmember Yukimura: It would be only triggered if the families sell, so I am not talking about depriving the families. In fact if they do sell, which this Bill would enable and there was a TDR, they would be getting advantage.

Mr. Dahilig: I see the concept. I would hesitate to...we do not have the systems to be able to interface with the Bureau of Conveyances to identify when an entitlement like this is sold off. We could pare as part of a required element up to maintain the entitlement, but we are not able to track when a unit is sold with just the entitlement alone.

Councilmember Yukimura: Well, when they come in for building permits, you will. But they will have an incentive to let you know if they want to transfer it.

Mr. Dahilig: Well, coming in for a building permit is already presumed that they are going to build on the property. It is not the conveyance of the selling of that juncture.

Councilmember Yukimura: They could still sell it off and condominium it and build right on the spot...that is true...but it probably will not be the family. It is small numbers, which is what makes it workable. If it were large numbers, I would not be suggesting it.

Mr. Dahilig: I disagree on that from that standpoint.

Councilmember Yukimura: Okay.

Mr. Dahilig: Because it is a small amount that we essentially have to create a protocol and a program and somebody needs to monitor a very, very small amount of units. Our recommendation to the Planning Commission when we received the Bill from Councilmember Kagawa was that we did not feel that we had an issue with extending the sunset date past the ten (10) year horizon because of the small amount of units and the need to have to track these. There is no longer an annual renewal. Again, the amount of units that we are dealing with from a housing standpoint is a very small amount. So to actually standup a program, make sure that it is enforceable, and actually have somebody monitoring over an indefinite period for a very small amount of units on the island, I think it would be an inefficient use of resources.

Councilmember Yukimura: It probably would be if you do not want to test the value of TDRs or if you do not see the feasibility of TDRs on this island.

Council Chair Rapozo: We are going to end there because I think we are going to get into a deep discussion of TDRs. There will be time in the Committee. Right now, it is just more focused on if we had any questions for Mike on the verbiage of the Bill, and specifically the amendment that came over. I am not sure if you wanted to get into that tonight.

Councilmember Yukimura: Okay, I am done, Chair, but I thought it was legitimate to follow-up on a commitment that I heard, which was to look into this, and I wanted to know what the results of that inquiry were.

Council Chair Rapozo: I think that the discussion was good, but when we start getting into philosophical—we will have time for that later. This is first reading and I just wanted to make sure that everyone had an opportunity to ask any questions that they needed. The amendment that came over earlier regarding removal of the verbiage; I think Councilmember Hooser asked what was the gain by doing that.

Mr. Dahilig: This was a one-and-done program, so the revenues that were per the current Ordinance, the revenues that were received were deposited into the special fund. Given the tenure of the program, there were not many contested case hearings that were generated with the certificates, so that money is still sitting there in this fund, but is slightly limited by the direction of needing to support contested case hearings, which are pretty much running their course already as it is.

Council Chair Rapozo: The current language supports contested case hearings or anything else like inspections. You can still utilize those funds for inspections. I think Councilmember Hooser's question was what is the gain? What if we get an influx of contested cases? It is a good thing to have. I guess the question is does it hurt us to leave it in?

Mr. Dahilig: I think when we had given the response back to Commissioner Katayama on this, the initial proposal was to just take out the phrase "ADU recertification."

Council Chair Rapozo: Right.

Mr. Dahilig: The Commission wanted to expand that even further. We do have many other contested case hearings on many other things. If we wanted to broaden the scope of the moneys, it would probably be more prudent to just take out the phrase "ADU recertification" because that process has already run its course.

Council Chair Rapozo: Okay. We will address it at the Committee.
Councilmember Yukimura.

Councilmember Yukimura: How much is in the fund?

Mr. Dahilig: Two hundred thirteen (213) times two hundred fifty dollars (\$250), whatever that would be.

Councilmember Yukimura: So two hundred thirteen (213) times two hundred fifty dollars (\$250).

Mr. Dahilig: It ended up being two hundred fifty dollars (\$250), so it would be about fifty-three thousand dollars (\$53,000).

Councilmember Yukimura: Okay, so what if you just said "related administrative costs," so the costs related to administration of these ADUs? Is that hard to segment?

Mr. Dahilig: Well, because there is no annual recertification process that was taken out of the last bill last year, there really is no maintenance of efforts to actually do a robust program, so everything has been more so folded into our regular Class I zoning process to try to handle it that way, versus trying to create a new program. There are not much administrative costs involved.

Councilmember Yukimura: So you do not have to do inspections?

Mr. Dahilig: Not other than when they apply for a Class I zoning permit.

Councilmember Yukimura: Class I zoning permit for what purpose?

Mr. Dahilig: To actually construct the dwelling. All this does is it permits them to actually apply for the Class I zoning permit.

Councilmember Yukimura: So we have a choice—we could just make it go back into the General Fund or we could give it to your department. It is a fund that has a limited life.

Mr. Dahilig: Well, based on the proposal that came down from the Council, the last line was included in that Bill. The additional amendment that was proposed by the Planning Commission was meant to augment what came down from the Council and that was the upper bracketed portion. The lower bracketed portion was included in the Bill that came down.

Councilmember Yukimura: I do not understand.

Mr. Dahilig: The phrase “any moneys remaining in the ADU recertification fund on December 15, 2024 shall be transferred and deposited into the General Fund”—that was already proposed for elimination when the Bill came down from the Council. All the Commission wanted to add was the upper bracketed portion that says “and for administrative costs,” to eliminate that proviso.

Councilmember Hooser: Let us just wait until it goes to Committee.

Council Chair Rapozo: I agree. Mike, we are sorry for taking you away from your dinner. I had no idea.

Mr. Dahilig: No problem.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: That is it. Thank you, Sir. I will call the meeting back to order. There is a motion to approve on first reading and schedule the public hearing for January 27, 2016 at 1:30 p.m. Any further discussion? If not, roll call.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion for passage of Proposed Draft Bill (No. 2601) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 27, 2016 at 1:30 p.m., and referred to the Planning Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kagawa, Kaneshiro, Kualī'i,	
	Yukimura, Rapozo	TOTAL – 7,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Next item, please.

BILLS FOR SECOND READING:

Bill No. 2602 – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-796, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE CRIMINAL ASSETS FORFEITURE FUND (*Kauai Police Department, KPAL Youth Center/Interim KPD Training Facility – \$300,000.00 (Operating Budget)*): Councilmember Chock moved for adoption of Bill No. 2602 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Kualii.

Council Chair Rapozo: Discussion? Seeing none, roll call.

The motion for adoption of Bill No. 2602 on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Next item, please.

Bill No. 2603 – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE GENERAL FUND CIP (*Kauai Police Department, KPAL Youth Center/Interim KPD Training Facility – \$300,000.00 (CIP Budget)*): Councilmember Kualii moved for adoption of Bill No. 2603 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Yukimura.

Council Chair Rapozo: Discussion? Seeing none, roll call.

The motion for adoption of Bill No. 2603 on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Bill No. 2605 – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2015-797, AS AMENDED, RELATING TO THE CAPITAL BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016, BY REVISING THE AMOUNTS ESTIMATED IN THE DEVELOPMENT FUND CIP (*Coco Palms Resort Development Use Permit Conditions – \$110,000.00*): Councilmember Kualii moved for adoption of Bill No. 2605 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Yukimura.

Council Chair Rapozo: Discussion? Seeing none, roll call.

The motion for adoption of Bill No. 2605 on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Thank you. Next item, please.

EXECUTIVE SESSION:

ES-825 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4, 92-5(a)(4), and Section 3.07(E) of the Kaua'i County Charter, the Office of the County Attorney requests an Executive Session with the Council to provide the Council with a briefing on the foreclosure action County of Kaua'i vs. Debra Marie Girald et al., Civil No. 15-00204 (United States District Court for the District of Hawai'i) and related matters. This briefing and consultation involves the consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

Councilmember Chock moved to convene in Executive Session for ES-825, seconded by Councilmember Yukimura.

Council Chair Rapozo: Discussion? Seeing none, roll call.

The motion to convene in Executive Session for ES-825 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: At this time we will recess and convene in Executive Session. We will be back before 6:00 p.m., I promise.

There being no objections, the meeting recessed at 5:45 p.m.

The meeting reconvened at 5:55 p.m., and proceeded as follows:

(Councilmember Kagawa is noted as excused at 5:55 p.m.)

Council Chair Rapozo: The meeting is called back to order. Can you read the last and final item?

There being no objections, C 2015-315 was taken out of order.

COMMUNICATIONS:

C 2015-315 Communication (12/07/2015) from the County Attorney, requesting Council authorization to credit bid the judgment obtained in County of Kaua'i vs. Debra Marie Girald et al., Civil No. 15-00204 (United States District Court for the District of Hawai'i) and related matters: Councilmember Yukimura moved to approve C 2015-315, seconded by Councilmember Kaneshiro, and carried by a vote of 6:0:1:0 *(Councilmember Kagawa was noted as excused)*.

Council Chair Rapozo: Councilmember Hooser.

Councilmember Hooser: I have a point of personal privilege.

Council Chair Rapozo: Okay. We will start with you, Gary, and go right around the table because this is our last meeting of the year.

Councilmember Hooser: I was not sure if you were going to bang the gavel or not, but I wanted to wish all of my colleagues here at the table...

Council Chair Rapozo: All of us?

Councilmember Hooser: Yes, all of you, including those that are not here at the table, I would like to wish you all a very merry Christmas and happy Holidays, and also a happy New Year. I will not see you until 2016 and I just want to wish you all and your families the best and to have a safe happy new year. The same goes to the people who have worked so hard like our Council Staff. We have a lot to be thankful for because there is a lot going on in the world right now. It is easy to think about the bad stuff, but I think this is an opportunity to think about the good stuff and enjoy this time with our families. I just wanted to express those thoughts to all of you and to the public who is out there. We all need to think about being safe and spending time with our families and with those people who perhaps do not have families. I think we should reach out to those that could use some comfort and friendship and invite them into our homes. Merry Christmas and happy New Year to everyone.

Council Chair Rapozo: Thank you, Councilmember Hooser.
Councilmember Yukimura.

Councilmember Yukimura: I want to wish all of you and all the people of Kaua'i a very blessed Christmas and holiday. My thanks go out to all of you who make my life here very special and just peace on Earth and good will to all people.

Council Chair Rapozo: Thank you. Councilmember Kualii'i.

Councilmember Kualii'i: To everyone here, my fellow colleagues, everyone at the Administration, and to all of our Staff here at Council Services: *mahalo nui loa* for all of your help this past year and helping me do my job in serving our island and our people. To everyone out there, *aloha Kalikimaka me ka hau'oli makahiki hou*. Merry Christmas and happy New Year. See you next year.

Council Chair Rapozo: Thank you. Likewise, merry Christmas to all of you here on the Council, our Staff, and the Administration. For everyone in the public and everyone that participates in local government, I think it is important that everybody participate and it is important that everyone remember—too bad it could not be Christmas all year, every day, as we start thinking, “Oh yeah, we have to think about the people that are less fortunate,” and then right after Christmas we are back to work and on the grind. This is a special time of year; I know it is for me and I am sure it is for everyone. This morning I was out there when Eddie called me and it looked like somebody had a barbershop out by the water spigot at the corner of the building and there was a mess of hair. It looks like someone was cutting hair and one of the homeless people had their cell phone plugged into our outlet. I called them over to say, “We do not have a problem with you folks here, but let us be cognizant of the area and keep it clean.” One of them said, “We enjoy being here. We do not have any place to go. A lot of the local people come around and nobody bothers us. They bring food.” There are a lot of people who are less fortunate and a lot of people that need help, and that is why we are here. We really have to do what we can to help everyone. We are in a position that we can help not everyone, but we can definitely make a difference. Let us strive for that. To all my colleagues here, including Ross who had to leave, merry Christmas and let us just have a better year. It can always be better, so let us strive for that. Thank you.

Councilmember Chock: I will just add my merry Christmas and happy New Year to everyone. It is a great time to be with family; those who have been away who come home. I just wanted to send these tidings to everyone, but particularly to those who are less fortunate. I am looking forward to a great 2017...I mean 2016. I am thinking ahead. Maybe it will be a year of working more efficiently and closer together. May it be a time where we can get clear on our values and place them in priority and may it be a time for us to be bold and courageous for a brighter future for our island. Thank you and see you in the new year.

Councilmember Kaneshiro: Did we do this last year? I did not prepare a speech because I did not know we were going to do this. I just wish everyone a

merry Christmas, happy New Year, and to be safe during the holidays. We will see you next year.

Council Chair Rapozo: Thank you. We will see you folks tomorrow morning for interviews, but for the general public, we will see you next year. Thank you.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 6:01 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'SKS', is written over a horizontal line.

SCOTT K. SATO
Deputy County Clerk

:cy

(December 16, 2015)

FLOOR AMENDMENT

Proposed Draft Bill (No. 2601), Relating to Additional Dwelling Unit on Other Than
Residentially Zoned Lots

Introduced by: ROSS KAGAWA (By Request)

Amend Subsection 8-15.1(d)(8) in Proposed Draft Bill (No. 2601) to read as follows:

“(8) Where a regulatory fee has been paid, the fee payment shall be deposited to the “ADU Re-certification Fund.” There is hereby established and created a fund to be known as the “ADU Re-certification Fund.” The fees collected pursuant to this subsection are hereby deemed appropriated upon receipt, and may be expended by the Department of Planning for the hiring of persons employed on a fee, contract, or piecework basis, or independent contractors to assist in conducting inspections[, and for administrative costs for contested case proceedings related to ADU re-certifications]. The maximum number of persons that may be hired with these fees shall be determined by the Budget Ordinance. The fees may also be expended for materials, supplies, and equipment that facilitate inspections, and for payment of overtime to conduct inspections. [Any moneys remaining in the ADU Re-certification Fund on December 15, 2024, shall be transferred and deposited into the General Fund.]”

(Material to be deleted is bracketed.)

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